

## INTERNATIONAL

## Herald Tribune

Published with The New York Times and The Washington Post

No. 28,600

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PARIS, MONDAY, DECEMBER 30, 1974

Established 1867

Minister, 2 Envoys Among 12 Held**Nicaragua Agrees to Send Hostages, Gunmen to Cuba**

MANAGUA, Dec. 29 (AP)—The Nicaraguan government said today that it would allow eight guerrillas who killed a businessman and two policemen yesterday to go to Cuba along with 13 political prisoners and 12 hostages, including the country's foreign minister and two of its top ambassadors.

The government did not say what prompted its decision. Earlier today, the guerrillas released seven wives of hostages.

Jose Maria Castillo, a wealthy

businessman, and the two policemen were killed when the five men and three women of the Sandinistas Liberation Front shot their way into Mr. Castillo's home early yesterday with submachine guns, officials said. Mr. Castillo was a former cabinet minister.

The government said the Spanish government served as an intermediary in convincing Havana to admit the guerrillas and prisoners. Nicaragua does not have diplomatic relations with Cuba.

Enrion Huico, the press sec-

tary for President Anastasio Somoza Debayle, would not say when the plane would leave or how many persons would be aboard. He said as soon as the guerrillas and the prisoners were safely in Havana, the aircraft would return here with the hostage.

Mr. Huico did not say whether the government had agreed to a guerrilla demand for a \$8-million ransom.

A Boeing 727 of Nicaragua's Lanica Airlines was called back from Miami to stand by at a local airport to fly out the group.

The Most Rev. Miguel Ovando Bravo, the archbishop of Managua, acted as mediator to win the release of the seven women. He also served as a go-between for the release yesterday of 13 other persons, among them servants, musicians and children.

The guerrillas burst into the Castillo home just after midnight Friday, while a party was in progress for U.S. Ambassador Turner Shelton. The U.S. Embassy said Mr. Shelton had left about 30 minutes earlier.

The persons still held included Foreign Minister Alejandro Montiel Arguello, Ambassador to the United States Guillermo Sevilla Sacasa, UN Ambassador Guillermo Lang and Managua Mayor Luis Valle Olivares. An informed source said a U.S. citizen was still in the Castillo home. The American was identified as David Carpenter, who was thought to be from New York and a son-in-law of Mr. Castillo.

Among the women released was Mrs. Arguello, the former Louise Nash of Sarasota, Fla.

Mrs. Olivares said by telephone from the home this morning: "Some of us had a good night's sleep."

**Trated Well**

He said the negotiations were going well and that all the hostages were being treated well.

President Somoza declared martial law after the attack and ordered the Castillo home surrounded by about 300 soldiers of the National Guard.

The Sandinista Liberation Front takes its name, tactics and goals from Gen. Augusto Sandino, a Nicaraguan Army officer who became a rebel. From 1927 until 1933, Gen. Sandino fought U.S. Marines occupying this Central American nation.

Gen. Sandino was shot in 1934 on the orders of Gen. Anastasio Somoza, the Marines pulled out in 1933, and the general was left as head of the Nicaraguan National Guard.

Two years later, Gen. Sandino overthrew President Juan Batista Sacasa. His son is President now.

Nicaraguan officials say the

(Continued on Page 2, Col. 1)

Political killings, acts of sabotage, boarding, profiteering, smuggling and anti-party activities should not be tolerated," one of the country's major labor

unions said in a statement hailing the emergency ordinance.

Sheikh Mujib had warned several times in recent months that something drastic would have to be done to restore order. Ob-

(Continued on Page 2, Col. 1)

**Violation of '72 Accord Seen**

**Soviet Official Says Moscow May Review U.S. Trade Ties**

By Christopher S. Wren

MOSCOW, Dec. 29 (NYT)—A Kremlin spokesman warned yesterday that the Soviet Union might re-examine its economic obligations toward the United States in retaliation against what the Russians view as discriminatory provisions of the trade reform bill recently enacted by Congress.

Leontid Zamyatin, director-general of the government's Tass press agency, charged that Congress had violated a 1972 trade agreement providing equal trade status between the two countries by linking the extension of trade benefits to free emigration from the Soviet Union.

"In the present situation, the failure of one of the parties to honor its commitments cannot help but affect the commitments assumed by the other party under a series of commercial and financial agreements," Mr. Zamyatin asserted.

Mr. Zamyatin, the highest Soviet official to comment on the trade bill's passage, underscored Moscow's displeasure in a major article in Sovetskaya Rossiya, the official organ of the Russian federation, giving his remarks somewhat less exposure and authority than if they had appeared in the Communist party newspaper Pravda.

However, he offered Russian leaders the fullest explanation so far of the emigration amendment terms laid down by Congress. Portions of the article were circulated today by Tass but without including the legislative details.

The press official did not specify what actions the Soviet Union might take beyond reorienting its previous threat to look elsewhere in the West for trading partners.

under consideration, Mr. Cameron said.

Mr. Stonehouse was arrested Tuesday and charged with entering Australia under a false name.

He said he wanted to escape "incredible pressures" of blackmail and business failures.

His disappearance in Miami last month triggered a wave of speculation that he had been involved with various espionage agencies, but Prime Minister Harold Wilson told the House of Commons that these reports were false.

**Parliament Action Seen**

LONDON, Dec. 29 (AP)—Political informants said today that the British Labor party is expected to initiate action soon to oust Mr. Stonehouse from Parliament if he fails to resign of his own accord.

They said the action will be taken by Edward Short, lord president of the council and majority floor leader in the House. Mr. Stonehouse has been

a member of Parliament since 1957.

At Walsall, Mr. Stonehouse's Lancashire electoral district, the local Labor party chairman, John Brady, said: "My feeling is that Mr. Stonehouse should resign without any doubt. His actions are not those of a responsible member of Parliament."

Two former business associates of Mr. Stonehouse were quoted yesterday as saying that he owes them money.

Keith White, who quit in July as co-director of Mr. Stonehouse's London group of companies told the Daily Mail that he is suing Mr. Stonehouse over an agreement to buy back \$10,000 (\$23,000) worth of shares. He said Mr. Stonehouse refused to abide by the agreement.

Peter Collar, another former Stonehouse director, was quoted in the newspaper the Sun as saying that Mr. Stonehouse owes him \$5,000 over another shares deal and that Mr. Stonehouse "is bound to go bankrupt."

The Soviets want the final communiqué written before Brezhnev gets there, a diplomat said. "They don't want surprises."

There has been speculation among diplomats—unconfirmed by official sources—that the Russians have threatened to postpone or cancel the Brezhnev trip unless a substantial degree of agreement is reached beforehand.

The dispute appeared to center on the methods used to achieve peace in the Middle East and on Soviet weapons shipments.

The Soviet government favors a reconvening of the Geneva conference on Middle East peace, it has opposed piecemeal agreements between the Arabs and Israel.

Alton Denner Report

JERUSALEM, Dec. 29 (UPI)—Foreign Minister Yigal Allon said today that Israel has not given the United States additional proposals on a second-stage Sinai settlement with Egypt since his visit to Washington three weeks ago, a government spokesman said.

Reporting on Mr. Allon's review of foreign policy matters at the weekly Cabinet session, the spokesman said the foreign minister "has presented no new proposals on an interim agreement since his talks in Washington" with Secretary of State Henry Kissinger and other officials.

"Mr. Allon denied the distorted reports which have been published in the Israeli and international press concerning this matter," the spokesman said. He did not

specify to which stories he was referring.

According to local newspaper reports, Mr. Allon told Mr. Kissinger an Israeli pullback was possible up to 8 miles to a line linking Nahal Yam on the Mediterranean and Abu Zuhra on the Gulf of Suez, on the condition that Egypt made corresponding political concessions to stabilize the situation along the line.

The quake, which struck at dusk, demolished nearly every house in the village of Patan, about 200 miles north of here on the Karakorum highway leading to the Chinese border.

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There were reports that several villages on a 65-mile strip along the edge of the Indus Valley from Patan to Sonam Nullah, appeared to have taken the full force of the quake.

**More Casualties Faced**

Officials said they had received reports that the village of Jajal, seven miles from Patan, had been severely affected and they feared more casualties there.

The army used helicopters to carry rescue teams, doctors, medical supplies, food, blankets and tents and fly out the injured to military hospitals.

Efforts to bring in a greater number of relief workers to search for the dead and injured were being hampered by land slides which have blocked the Karakorum highway.

Both those sources and Western diplomats in Moscow said that the visit was somewhat connected with Mr. Brezhnev's announced visit to Cairo Jan. 14-15. The sources said the Russians were anxious to insure that the visit would have positive results that would reflect credit on Mr. Brezhnev.

Residents of the region camped out in the open, fearing another quake.

**Further Tremors**

Patan survivors said that the big quake yesterday was followed by other strong tremors throughout the night which sent hounds down the mountainsides.

One of the survivors, 24-year-old Kima Khan, said: "I was sitting inside my house when there was this big earth tremor. The whole house collapsed on top of me. I was rescued, but three

days later I died."

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Leonid Zamyatin

ASMARAS, Ethiopia, Dec. 29 (UPI)—Ethiopia's ruling Military Council intends to bring peace to the troubled northern province of Eritrea by negotiations with guerrilla leaders seeking Eritrea's secession, a government representative said here in the provincial capital today.

Maj. Berhane Baish, a member of the Military Council, announced the negotiation plan at a meeting of senior government officials and 345 community leaders from all parts of Eritrea, participants in the session said.

Mr. Baish said his movement was prepared to continue fighting for independence. The EPLF is now equipped with heavy weapons which put it on a par with the Ethiopian Army, he was quoted as saying.

At today's session, a number of speakers reportedly accused the

Eritrean Liberation Front of having

murdered a number of people in

recent days.

The Eritrean Liberation Front

has been fighting the army since

Eritrea—formerly a federal state

with a large degree of autonomy

—was made a province of Ethiopia in 1962. The EPLF is pre-

dominantly Moslem.

A second guerrilla group, the

Marxist-oriented Popular Liber-

ation Front, was formed a few

years ago. The PLF and the EPLF

have often been at odds.

The PLF has its headquarters

**Kissinger Seeks Special Panel to Investigate CIA**

WASHINGTON, Dec. 29 (NYT)—President Ford has under consideration a proposal to create a public commission to investigate allegations of illegal domestic surveillance by the CIA.

The proposal was made by Secretary of State Henry Kissinger and others within the administration and outside the government in the belief that a public forum would help end the controversy over CIA activities and lay the groundwork for a careful review of the agency's alleged domestic spying operations according to an informed government official. The official said that the names of citizens who would serve on the panel had already been discussed and that he believed the administration would accept some form of Mr. Kissinger's recommendations. There was no indication here of the identity of persons who might be named to such a commission. But a source said that they obviously would be "high caliber" people drawn from various fields, legal, academic and business.

Henry's View

The government official said that Mr. Kissinger "doesn't have any idea that he can head off any congressional investigation" with a public commission.

He said that "Henry's view" is that Congress can investigate as it should but that doesn't relieve the administration from investigating itself. Obviously, if we did nothing but step back and watch everybody else investigate the CIA without doing something about it ourselves, that would be criticized, too."

The quake was the most serious in Pakistan since 1935, when the capital of Quetta was razed.

Mr. Kissinger apparently relayed his views to Mr. Ford, who is on a vacation at Vail, Colo. Mr. Ford has with him a 50-page report on CIA domestic activities from William Colby, director of the agency.

The agents were tightly controlled by senior officials in the New York office of the Domestic Operations Division, a heavily guarded unit set up in 1963 by the CIA in more than a dozen countries across the nation, the former agent said.

Various committees of Congress probably will inquire into the allegations that the CIA violated its charter by engaging in domestic spying operations, including the Senate Armed Services Committee and the Senate Government Operations Committee also are expected to tackle the problem.

Ford Delays Response

VAIL, Colo., Dec. 29 (UPI)—President Ford will delay response to allegations of domestic spying by the CIA until after his return to Washington this week, his press secretary, Ronald Nease, said yesterday.

Mr. Nease said Mr. Ford will be reviewing the report from Mr. Colby "over the next few days" and will discuss the matter with Mr. Colby and others after returning to the capital, probably on Thursday.

There will be an announcement on the subject within several days after the completion of those discussions," Mr. Nease said. He added that neither he nor Mr. Ford would discuss the subject further until that time.

In response to questions, Mr. Nease said Mr. Ford certainly would confer with Mr. Kissinger on the subject and quite likely with Secretary of Defense James Schlesinger.

Asked if Mr. Ford would meet with former CIA Director Richard Helms, who headed the agency when the alleged illegal spying took place, Mr. Nease said, "I don't know about Helms."

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After Reported Pressure for Initiative

**Ethiopia Offers Talks Abroad to Rebels**

in Beirut and Maj. Berhane's announcement of plans for negotiations abroad was seen as a concession to that group.

He made the statement after several Eritrean community leaders told him that the national government in Addis Ababa should initiate direct talks with the rebels participating at the meeting said.

Observers here recalled that the EPLF's secretary-general, Osman Saleh Sabri, said at a press conference in Beirut on Friday that his movement was prepared to continue fighting for independence. The EPLF is now equipped with heavy weapons which put it on a par with the Ethiopian Army, he was quoted as saying.

At today's session, a number of speakers reportedly accused the Eritrean Army of having unleashed a wave of atrocities since last Sunday in a crackdown they likened to the tactics of deposed Emperor Haile Selassie's government, which was ousted in a military coup in September.

Another speaker, Sheikh Mohammed Saleh, a teacher at Asmara's Islamic school, was said to have charged that Ethiopian troops had massacred a Muslim family last Sunday.

The sheikh drew parallels between the Eritrean situation and the Algerian struggle for independence it won in 1962. Participants in the meeting added that he had also cited the conflict between East and West Pakistan which led to the independence of Bangladesh in 1971.

## A Promise of Democracy

Portuguese Unsure of Future  
But Enjoy Sense of Freedom

By Henry Ginder

LISBON, Dec. 29 (NYT).— Economic depression, political conflict, social tension and a general sense of uncertainty about where the country is headed are all part of the Portuguese scene.

But the future contains at least a promise of democracy and the start of economic reform after half a century in which it seemed that Portugal was frozen into a repressive political and economic system.

Portuguese over the age of 18 are registering for what is to be the first free election in their lifetime.

The election next spring will be for an assembly to draft a

constitution for a new political system. The old dictatorship was deposed on April 25.

Although a constitutional base for democracy has yet to be organized, there is a sense of freedom in Portugal now.

The coup in April broke constraints on speaking one's mind, holding meetings, going on strike and challenging officialdom.

The Portuguese reacted with such enthusiasm that some persons spoke of a country "intoxicated by freedom," and officials deplored a trend toward anarchy.

## Quieted Down

Eight months later the country has quieted down considerably.

The coup lifted restraints on what the Portuguese could read or watch. Books, magazines, films and theater lean heavily toward sex or the kind of leftist ideas that the old regime had rigidly banned. A reaction has set in now, with the still influential Catholic Church joining parent groups and some officials in deplored a "wave of pornography sweeping over Portugal."

As for the economic crisis, not everyone seems to be suffering. Despite a heavy trade deficit and extra taxes on luxury imports, the shops were full of expensive goods this Christmas season and there were customers.

It is rare to see a car on display in any of the showrooms along Avenida da Liberdade that does not have a "sold" sign on it.

Some of the spending is a result of disquiet about the currency, although the escudo has remained strikingly stable amid the country's difficulties.

## The 13th Month

There is great concern about the economy. Bankers and economic experts see a crisis in the country already. Hundreds of companies are close to bankruptcy as a result of huge increases in their wage payments ordered by the new government last spring. Before Christmas, they were bound by labor contracts to pay a so-called "13th month," a bonus of a month's pay, and many lacked the cash.

Some companies have closed, and others have had to be rescued with short-term loans. The number of unemployed is steadily growing and is being added to by demobilized soldiers from the African wars and by migrants who have found factory doors closed to them in other European countries. The forecast for early next year is 200,000 unemployed, or about 8 per cent of the work force.

Inflation, estimated at 30 per cent this year, is another factor in social unrest. Those who are working see their gains being wiped out by steadily climbing prices.

## Economic Program

After much-criticized delay, the government is drafting an economic program for the next three years. The program is being developed through compromise among opposing political ideologies and will represent something of an innovation because, as a government economist said, "We Portuguese are better at improvisation than at planning."

The program will attempt to cope with the inflation and unemployment problems and to stimulate investment in industry and agriculture. The program will give an assured place to private enterprise but also will provide for widespread state intervention.

A planner who participated in the program acknowledged that it was difficult to make economic plans "when we do not know what the political context will be."

Nobody in Portugal can say for sure where the country is heading politically because to a large extent the dominant armed forces remain an enigma.

## Angola Talks Set

LUSAKA, Zambia, Dec. 29 (UPI).—Constitutional talks on the future of Angola are to be held in Portugal on Jan. 10, an Angolan nationalist leader said here yesterday.

Jonas Savimbi, leader of the National Union for the Total Liberation of Angola (UNITA), said on that date he and Agostinho Neto, leader of the Popular Movement for the Liberation of Angola (MPLA), and Holden Roberto, head of the National Front for the Liberation of Angola (FNLA), will meet with the Portuguese.

He also said that Mr. Neto and Mr. Roberto had agreed to meet within the next few days to talk to form a unified front in preparation for the talks with the Portuguese. He refused to say where these talks would take place.

## Mujib Sets Decree Rule

(Continued from Page 1)

serve believed he was finally pushed into the emergency decree by the killing Wednesday of a popular member of his ruling Awami League party, Golam Kibria, who was shot as he prayed at a mosque.

The victim was the sixth Awami League parliamentarian killed since independence. Authorities report that about 3,000 lesser Awami League supporters also have been killed.

Diplomatic sources in Dacca say many of the killings are the result of infighting among local leaders or public outrage against corrupt local officials.

Beasts in Human Form

Sheikh Mujib also was known to be angered by widespread smuggling along the India-Bangladesh border. In a recent speech he called the smugglers "beasts in human form."

His government already had ordered the army to take over an anti-smuggling drive, to collect weapons left in the countryside from the 1971 war and to move food to famine areas.

The government estimates that about 30,000 persons have died of hunger in recent months. Observers in Dacca put the toll higher.

The country this year fell 3 million tons short of the 12 million tons of grains needed to feed Bangladesh's 75 million inhabitants.



Associated Press  
PRAYER SERVICE—Open-air services were held at St. Peter's Anglican Church in Darwin, Australia, yesterday because the church was damaged by last week's cyclone.

## Greeks Arrest No Youth Under 16 On Drug Charge So Far This Year

ATHENS, Dec. 29 (AP).—Greek police declared Friday that no Greek under 16 had been arrested for violating the nation's drug laws this year from January to Dec. 15.

Of a total of 116 persons arrested in Greece for use of various drugs for the period under review, police said that "only seven" were Greeks aged 16 to 20.

Police gave no comparative figures for the Greek youths but it was understood to be as low or even lower in previous years.

The limited use of drugs among Greek youths is attributed by sociologists to family discipline and the difficulty of obtaining drugs in Greece.

## Moderate Replacing Rector At Buenos Aires University

By Jonathan Kandell

BUENOS AIRES, Dec. 29 (NYT).—The controversial right-wing rector of the University of Buenos Aires will be replaced by a moderate administrator after Jan. 1, the Argentine government has disclosed.

The resignation of the rector, Alberto Ottalagano, who has vowed strongly Fascist sentiments during his two-month tenure, is an important concession to opposition parties, which have stepped up their criticism of the Peronist government in recent weeks for its increasingly authoritarian measures.

The new rector, Julio Lyndon, who is now an official with the Ministry of Education, is considered more acceptable to moderate and leftist elements in the university and among the opposition parties.

A government decree thanked Mr. Ottalagano for "the important services he has rendered." The outgoing rector said that "I received the university in chaos and leave it in an order which nobody can ignore."

Mr. Ottalagano, once a leading member of the Fascist anti-Semitic Nationalist Alliance for Liberation, was the fourth rector of the troubled university since the Peronist government came to power in May, 1973.

Two of his left-wing Peronist predecessors, Rodolfo Puiggrós and Raúl Leguizamón, were received as political exiles by Mexico after they reported death threats against them by rightist terrorists. Mr. Leguizamón's infant son was killed in a bomb blast at his home in September.

Mr. Ottalagano inherited a leftist-dominated university where hundreds of conservative professors had been purged from their faculty posts. Under left-wing Peronist administrations, the university—one considered a maoist the first in Latin America—had instituted an open-admissions policy that bloated enrollment in a year from 30,000 to 150,000 students.

The political pendulum moved in the opposite direction under Mr. Ottalagano, who presided over the dismissal of hundreds of alleged leftist professors. Although exact figures were not available on the scope of the purge, in one university department alone—the Graduate School of Architecture—180 professors and teaching assistants were

Mr. Zamyatin argued that the emigration amendments constituted "an absurd and hopeless position. The question of emigration of citizens from any country lies entirely within the competence of the state concerned."

He implied to his readers that the United States had its own emigration limitations and that "the emigration agencies of the United States are governed in such matters by American laws and not by the opinion of parliamentarians of other countries."

The Finance Ministry, announcing the freeze Friday, said that Paris restaurant prices rose by 18.3 per cent in the 12-month period ending in October, at a time when wholesale food prices were rising by 10.9 per cent.

1 Wounded in Attack On Soviet Cruise Ship

SAN JUAN, Puerto Rico, Dec. 29 (UPI).—One person was wounded yesterday in an attack on a Russian cruise ship in San Juan harbor, the police said. A militant Cuban exile group claimed responsibility for the attack.

The FBI said it was investigating the attack aboard or near the cruise ship Maxim Gorki, which occurred shortly after midnight. The ship left on schedule about an hour later.

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Floods Strike Java

JAKARTA, Dec. 29 (Reuters).—Two villagers were drowned and 1,000 others made homeless when floods caused by torrential rains swept away six villages in the Banten Regency in west Java.

## Used as a Training Ground

## CIA Ex-Agent Describes Role as Spy in N.Y.

(Continued from Page 1)  
locations, pending a check of files.

The Times, quoting sources, reported a week ago that the CIA had violated its charter by conducting illegal intelligence operations aimed at anti-war and other American dissidents inside the United States. Intelligence files on at least 10,000 American citizens also were compiled, the sources said.

The former agent said that he and other CIA agents had also participated in telephone wiretaps and break-ins in their efforts to closely monitor the activities of radicals in New York. He added that the CIA had supplied him with "more than 40" psychological assessments of radical leaders during his career as a spy.

High-ranking CIA officials, including Richard Helms, the former director of the agency and now ambassador to Iran, told Congress in the wake of the Watergate scandals that only two such assessments—done by psychiatrists working for the agency—have ever been prepared on American citizens.

## New Products

"What we were trying to do," the former CIA agent said, "was to find out what the radicals were marketing and to learn if they had any new products."

"They were a target company and we were like another company in competition," he added. "We were interested in their executives and that's why we did the profiles, so we could learn what we had to offer in order to buy them over to us."

The 1974 legislation setting up the CIA bars the agency from any internal security or police function inside the United States, leaving all such activity to the Federal Bureau of Investigation.

"I know what the charter was," the former agent said. "I'd read it but my belief was that we were doing the same function inside the United States as the CIA does outside it."

## Recruited in 1965

The agent said he had been recruited into the CIA after graduation from college in 1965. After training in counterintelligence techniques, his first assignment was with the Domestic Operations Division office in New York.

The former agent reported that about 23,000 have been evacuated since the four-hour cyclone killed 48 persons on Christmas Day and destroyed the homes of about half the city's 41,000 inhabitants. Gen. Stretton said that the health situation here is satisfactory and he does not want to deplete the population needlessly when there is reconstruction work to be done. Australian Navy ships are expected to arrive Wednesday with relief supplies to complement those flown here.

Australia's Prime Minister Gough Whitlam came to Darwin yesterday and assured the inhabitants that the city would be rebuilt. Mr. Whitlam, after cutting short a European tour to come here, spent three hours touring the city. He has called an emergency Cabinet meeting for tomorrow.

Soviet Dissident Reported Seized

MOSCOW, Dec. 29 (Reuters).

Soviet authorities have arrested biologist Sergei Kovalev, one of the country's leading dissidents, and flown him to Lithuania, apparently for trial there on charges of distributing unapproved publications, scientist and fellow dissident Andrii Sakharov said today. He appealed for a worldwide campaign for the biologist's release.

Traditionally, the counterintelligence department of the CIA has sought to neutralize and expose Soviet and other foreign intelligence agents seeking to operate against the CIA in the United States and elsewhere in the world.

Mr. Angleton, a veteran of 31 years of intelligence service, retired Tuesday, two days after the first Times article was published.

A number of CIA sources have confirmed that the bulk of the domestic spying was conducted by various offices of the Domestic Operations Division, which was initially assigned to such tasks in the mid-1960s as infiltrating agents into various ethnic and emigre groups in large cities.

## Low-Key Operation

"When I first came to DOD," the former agent said, "it was a low-key operation. Mostly we did liaison" with other intelligence agencies.

"And then someone started noticing those kids," the former agent said, referring to the anti-war activists. "At first, they were just a pain in the neck. The local police and FBI couldn't handle it. We had the manpower and the money."

In the beginning, he said, only files on student dissenters were kept, apparently as an addition to the already existing dossiers on the various foreign students living in the New York area.

"The first actual (physical) surveillance came when people like Mark Rudd started moving around," he said. Mr. Rudd was a leader in the student demon-

strations that disrupted Columbia University for two weeks in the spring of 1968.

"We'd go out, take some photographs and follow them," he said. "We had different IDs for different jobs. We'd use newspaper IDs, or flash a badge and say we were a reporter for a magazine—it made things a lot easier."

## Turn Somebody Around

One of the Domestic Operations Division's first functions was to attempt to infiltrate its agents into a radical unit targeted for domestic spying, the former agent said. A second major goal was to "turn somebody around"—that is, convince a member of a group to become an informer.

"I could never identify myself as a CIA man," the former agent said. "I always had to be a stu-

dent or whatever I felt like at the time. You couldn't say you were a cop, because you might be talking to a cop."

The former agent repeatedly noted during the interviews that his activities were closely monitored by his superiors, whom maintained a "cover" office inside a large corporate headquarters.

Asked whether he ever questioned his work, the former agent replied, "Look—they [his superiors] were telling us, 'Keep an eye on them,' and to do that you're going to have to fringe on somebody's freedom."

"We got the policy from above," he added, "but we all felt the same way. These kids were directly involved with foreign stuff. We always worried about drugs from Communist China, KGB agents and foreign guns. That's what gave us the right to come in."

Cornelius Gallagher

Claude Pepper

## Magazine Claims CIA Spied on Douglas, 3 Others in '60s

NEW YORK, Dec. 29 (AP).—

Supreme Court Justice William Douglas, who protested in 1973 that illegal wiretapping was com-

plished in Washington, was among four persons under secret scrutiny by the Central Intelligence Agency, Time magazine has reported.

CIA agents also spied on Rep.

Claude Pepper, D-M., former

Congressman, and the late Sen. Edward Long, D-Mo., the magazine said. Gallagher was recently released after serving 17 months of a two-year jail term for income-tax evasion.

The magazine reported in its latest issue that Justice Douglas became a target of CIA surveillance in the mid-1960s after making a trip to the Dominican Republic.

Rep. Pepper was spied upon apparently because of associations with Cuban refugees among his constituents in Miami; Gallagher, apparently because of his contacts with officials of the Dominican Republic, and Sen. Long, apparently because of his conversations with representatives of foreign nations, Time said.

French Open Probe in Deaths Of 42 Miners in Explosion

By Flora Lewis

PARIS, Dec. 29 (NYT).—A judicial investigation was opened yesterday into the mine disaster at Lévin that left 42 dead, 5 injured and 130 orphaned on Friday. The accident has provoked a widespread outcry.

The cause of the accident in a shaft 2,330 feet below the surface was not clear. Initial speculation that there was a dust explosion was set aside. Local authorities now lean toward the view that it was caused by accumulated gas. However, they said that automatic monitors showed a minimal amount of methane or firedamp far below the danger level—present a few minutes before the explosion.

The disaster immediately caused broad political repercussions.

It happened at a time when the phrase "energy crisis" was on

Final Deliberations Start Today

## Watergate Jury Shows Itself To Be Strong-Minded Group

By Mike Shanahan

WASHINGTON, Dec. 29 (AP).—The jurors who will begin final deliberations in the Watergate cover-up trial tomorrow could begin considering the guilt or innocence of the five defendants during the weekend.

On Thursday, U.S. District

Judge John Sirica pressed defense lawyers to speed their final arguments so the jury could begin considering the guilt or innocence of the five defendants during the weekend.

Over the objections of at least one lawyer, Judge Sirica said that he would keep the jury in the courtroom for an extra 1 1/2 hours.

Informed of the judge's intention during a recess, the jurors sent back firm word that they would not be hurried.

In effect, they said in no uncertain terms, "this is the rush." said a lawyer familiar with the case.

A note complaining of the judge's plan for the jury to do its most important work during the weekend was reportedly written by John Hoffer, a retired National Park Service police supervisor. There are several elderly retirees and middle-aged persons among the 12 jurors and five alternates.

The judge also tried to quicken the pace of the trial late last month by suggesting that he would hold court on Saturdays. Noting that he had hoped to end the trial by Christmas, Judge Sirica said it would be better if the jurors could return a verdict without worrying whether they would be spending the holidays with their families.

Defense lawyers agreed at that time that the pressure to return a verdict before the holidays might prejudice the case against their clients.

**Not for Judge**

A hand-written note was sent to the judge, reportedly composed by juror Ruth Gould, 57, a tall, gray-haired loan specialist with the Agriculture Department.

The note said the jurors had unanimously decided that it was more important for them to give slow and careful consideration to testimony in the trial than to be home for Christmas.

The jury, sequestered since Oct. 11, first lived in a downtown Washington motel and more recently moved to the more expensively furnished Sheraton Park Hotel in the city's northwest section.

Noting that many jurors are not young—the average age is 52—the memo said that the jury members needed the full two days of the weekend for rest.

**'Never Underestimate'**

Judge Sirica, humorously acknowledging his surprise at the contents of the letter, said from the bench: " Didn't I tell you never underestimate the intelligence of the jury?"

When the jurors do step into a room just off Judge Sirica's courtroom to begin deliberations, they will be considering offenses alleged under one of the lost controversial laws currently on federal statute books.

The basic charge against the defendants—former U.S. Attorney General John Mitchell, former U.S. Assistant Attorney General Robert Mardian, former White House chief of staff H.R. Haldeman, former Nixon domestic adviser John Ehrlichman and former Nixon re-election committee lawyer Kenneth Parkinson—is that they conspired to obstruct justice.

**45 Acts**

There are 45 specific acts listed in the cover-up indictment as part of the conspiracy to stifle the investigation into the June 17, 1972, break-in at Democratic National Committee headquarters here. The indictment says the conspiracy was designed to protect persons responsible for the burglary and wiretapping of the Democrats.

To find a defendant guilty, the jury must agree that sometime during the conspiracy he willingly took part in just one of the 45 specific acts.

A guilty verdict against a defendant, no matter how small his role, makes him vulnerable for the same penalty as the other five years in jail and a \$10,000 fine.

There are other charges against various defendants but conspiracy is the basic accusation from which the others stem.

## 3 Are Facing Sanctions in Boston Busing

BOSTON, Dec. 29 (AP).—A federal judge will decide tomorrow what sanctions to impose on three members of the Boston School Committee whom he found in contempt for refusing to approve a new school desegregation bus plan.

John Kerrigan, committee chairman; Paul Ellis, and John McDonough were cited by U.S. District Judge Arthur Garrity Jr. on Friday for defying an order to endorse and forward to him a plan for racially balancing classrooms next fall.

The new integration plan, written by school officials, was submitted to the committee on Dec. 1.

Eleven members voted 3 to 2 to endorse it or forward it to Garrity. A committee law-delivered the plan to the court anyway and then resigned. Judge Garrity said he was considering ordering the committee members to submit the plan officially while at the same time maintaining that they are personally opposed to forced busing. He asked them to consider whether they would comply with such an order.

**Strife, Danger**

All three members said they would approve specific court orders on integration. But they said they would "take no initiative or affirmative action" unless they are sure it would not create racial strife or danger to school children.

Under questioning by Judge Kerrigan, Mr. Kerrigan said he did not vote for the plan because "I don't want any forced busing to be called the School Committee plan."

"I'm against the forced busing of school children," he said. "It is unfortunate that because of housing patterns forced busing is the only way you're going to get desegregation."

The plan rejected by the committee would require the busing of about 30,000 of Boston's 86,000 schoolchildren.

A busing plan ordered by Judge Garrity and now in effect requires 18,000 pupils to be bused out of their neighborhoods.

Racial violence has erupted sporadically, particularly in the South Boston area, since busing began last September.

## High Court Allows FBI Check As Young Socialists Convene

ST. LOUIS, Dec. 29 (AP).—The Young Socialist Alliance opened a national political convention here today after the FBI was given court permission to conduct surveillance of the meeting.

On Friday, Supreme Court Justice Thurgood Marshall turned down a request for an injunction against such surveillance; he ruled that the meeting was open to everyone.

There was no official indication that FBI agents would attend the convention. But government lawyers, urging Justice Marshall to deny the injunction request, claimed that a bar to surveillance would compromise the ability of FBI informers because their absence at the convention would be noted.

The party youth alliance had sought Supreme Court review of U.S. Court of Appeals decision.

New York. The Court of Appeals had on Tuesday overturned a U.S. District Court's ban on the FBI surveillance.

After the Marshall decision, alliance attorneys asked Supreme



### Survey Cites Willingness to Pay

## U.S. Catholics Still Favor Church Schools

By Kenneth A. Briggs

NEW YORK, Dec. 29 (NYT).—

Despite a sharp drop in the number of Catholic schools during the last decade, the loyalty appears to remain loyal to parish education and ready to give increased financial support.

The results of a survey by the National Opinion Research Center of U.S. Catholics, made available to The New York Times, show that 89 per cent of those polled believe the parochial school system is still needed and that 82 per cent say they would donate more to help schools out of fiscal troubles. More than 8,000 of them have closed since 1964.

The survey, financed by a grant from the National Institute of Education and undertaken by four sociologists headed by the Rev. Andrew Greeley, is a follow-up to a similar questionnaire issued in 1968.

**New Issues**

While attitudes toward education can be measured against results of the earlier study, support for education has remained virtually the same, nearly two-thirds of the questions in this survey took up new issues such as women's ordination, a married priesthood or abortion that were of marginal interest then.

The 925 respondents (there were 2,071 in 1968) gave solid approval to changes such as the English liturgy.

A supplemental report on apostasy found that Catholics under 30 were twice as likely to fall away from the church as those over 50, and that those who have attended college were still more likely to drop out.

Only 35 per cent of parents of school-age children had them in Catholic schools. However, the study showed the principal reasons were that schools were not available, or that, where they existed, they were too expensive.

Only 13 per cent of those sampled said that public schools were better than parochial schools and, therefore, preferred that their children go to public schools.

Among the majority that said it would pay more for schools, 59 per cent would give more than \$50 and 31 per cent would give more than \$100 a year.

**Untapped Resources**

The researchers thus concluded that "there are literally hundreds of millions of dollars of untapped resources should the leadership choose to utilize them."

The size of the Catholic school system has steadily shrunk. There were 13,360 high schools and elementary schools in 1964 with a combined enrollment of 5,625,040.

A guilty verdict against a defendant, no matter how small his role, makes him vulnerable for the same penalty as the other five years in jail and a \$10,000 fine.

There are other charges against various defendants but conspiracy is the basic accusation from which the others stem.

**U.S. Law Delays Navy Base Plan On Diego Garcia**

VAI, Dec. 29 (AP).—A \$2.8-billion U.S. military construction bill signed yesterday by President Ford delays a final decision on the Navy's plan to expand a base at Diego Garcia in the Indian Ocean.

Before Congress completed action on the bill, Senate and House conferees had written into it language requiring a Senate vote on the Diego Garcia issue within 60 days after the new Congress convenes Jan. 14.

The law also includes a section authorizing the secretary of defense to aid communities located near the Trident support site in Bangor, Wash., for increased municipal services resulting from the impact of placing the Trident facilities in the area.

It also designates the Observatory Hill home of the chief of naval operations in Washington as the temporary official residence of the vice-president.

Subject to this final vote, the bill appropriates \$14.8 million as the first step in a \$3-million naval construction program for Diego Garcia, plus \$3.5 million to extend an Air Force runway on the British-owned island.

**Hot Sunday in Prague**

PRAGUE, Dec. 29 (AP).—The maximum daytime temperature in Prague today was 14 degrees centigrade (57.3 degrees Fahrenheit), a record in more than 300 years of recorded temperature readings, the Prague evening paper *Večerní Praha* said.

The government argued that, although the alliance officially renounces violence, a minority within the organization advocates violent tactics.

thieves, 80 per cent said they could accept a married priesthood if that change were adopted and 79 per cent favored it.

Perhaps the most important shift in attitude was on sex-intercourse for pleasure alone rather than for procreation was viewed as wholesome by 50 per cent compared with 29 per cent in 1963. Approval of artificial contraception rose in the same time from 45 to 88 per cent, while tolerance for sexual activity between engaged couples increased from 12 to 43 per cent. Acceptance of remarriage after divorce jumped from 52 to 73 per cent.

By contrast, the proportion of those who receive communion weekly at mass rose from 13 to 28 per cent.

Ninety-eight per cent of the respondents said they accepted the English liturgy and two-thirds approved lay clothes for nuns, the folk mass, progressive religious education and sex instruction in Catholic schools. Sixty-five per cent opposed the ordination of women to the priesthood. Never-

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## Uphill Task for Italy

The day before Premier Aldo Moro's new government won its vote of confidence in the Italian Senate, 14 million workers staged a general strike throughout Italy to demand job guarantees, higher social security payments and cost-of-living adjustments to cope with a 25-per-cent inflation rate. It was only one of many indications of the outsized dimensions of the task facing Italy's 37th government since the fall of Mussolini.

In addition to one of the highest inflation rates in Europe, Italy confronts a balance-of-payments deficit that soared during the first eight months of this year to \$4.18 billion, more than seven times the comparable figure for 1973. Along with that goes a trade deficit which for October was double that of a year ago and unemployment rising toward 1 million.

Even more critical than these economic problems are the political and moral crises. The faith of ordinary Italians in their public servants and institutions seems to have struck a postwar low. An ongoing judicial inquiry into an abortive 1970 coup has resulted in the arrest of two high-ranking army generals and a warrant for a third. Extremists of right and left continue a campaign of sporadic terrorism in the face of more than 300 arrests by a special police squad.

Italy's Communist party, which polls better than one in every four votes cast in an election, perseveres with its drive for a "historic compromise," in which it would

join a coalition with the Christian Democrats and Socialists. The Communists contend—and some Christian Democrats agree—that only they can control the trade unions and effect the industrial discipline required for Italy's economic recovery.

But the dominant view among the Christian Democrats remains that the risks of bringing in the Communists—despite their promises to support Italy's memberships in the Common Market and NATO—outweigh any possible benefits. Mr. Moro has had to settle for a coalition between his Christian Democrats and the tiny Republican party. The other allies for a center-left coalition, the Socialists and Social Democrats, have promised to back Mr. Moro in parliament but they stayed out of the Cabinet because they cannot abide one another.

Although he lacks dynamism, Mr. Moro commands considerable respect in the faction-ridden Christian Democrats; his vice-premier, Ugo La Malfa of the Republicans, is probably the most esteemed of Italy's politicians as well as one of its best economists. Unfortunately, the Cabinet reflects the usual Christian Democratic trade-offs. It contains too many familiar faces, noted more for procrastination than for achievement.

The combination of an indecisive government and of increasingly intractable problems has inevitably revived what the respected Turin newspaper *La Stampa* describes as "universal fears for the well-being of the republic."

THE NEW YORK TIMES

## Charter for Caramanlis

Premier Caramanlis says his government's draft for a new constitution was "made for Greece" but it bears striking resemblances to the charter fashioned for France's Fifth Republic by Charles de Gaulle. George Mavros of the Center Union opposition is right in saying the draft was made to fit "the requirements of a single person [Mr. Caramanlis]" and there is substance in Andreas Papandreou's charge that this constitution could change parliament into a "second-class" branch of government.

The Greek president would be commander of the armed forces with powers to declare war and conclude treaties and alliances. He would appoint and dismiss premiers and could dissolve parliament if convinced that it was in conflict with prevailing public opinion or unable to provide stable government. He could veto legislation, declare referendums on "crucial national issues," issue emergency decrees and proclaim states of siege to meet either external or internal dangers.

Parliamentary curbs on the executive would be limited. Votes of no confidence in the government could be moved only every six months. The government could restrict parliament's deliberations on bills of importance to three sessions or less. Even the advice of a Council of the Republic, composed of elder statesmen and political lead-

ers, would not be binding on the president on such decisions as dissolving parliament.

To cite these provisions is not to agree with his critics that Mr. Caramanlis, having led Greece back from seven years of military dictatorship, is now bent on taking the country into another form of totalitarianism. Even before his return last July, Mr. Caramanlis made clear his belief that any new constitution would have to grant the executive broad powers to lead Greece through difficult times and to avoid a return to the political chaos of 1965-67.

Yet, it is clear that some provisions of the draft have dismayed political moderates and put additional strains on the national unity imperative for a Greece recovering from tyranny. Mr. Caramanlis, whose tendency to indulge in arbitrary and even repressive conduct helped push Greece toward the abyss in the 1960s, would be well advised to listen patiently to the arguments of his responsible opposition against the draft.

Mr. Caramanlis has enough support in parliament to ram through the constitution of his choice. But it will be a sounder document and Greece's democracy will be more solidly based if the charter that emerges from the three months allotted for parliamentary debate reflects contributions from democratic forces outside government ranks.

THE NEW YORK TIMES

## International Opinion

### Soviet Serfdom

The news from Moscow that the Soviet authorities are to modify the system of internal passports that their citizens require to move about their own country appears to mark some progress in liberalization, although the scope of the reform is not yet clear.

It is also a reminder of the extraordinary fact that in a modern industrial state like the Soviet Union a large part of the population has remained tied to the land almost like serfs. Under the regulations hitherto, it was impossible to leave the land and go to work or live in a city without official permission. Those found in cities without a residence permit were liable to be expelled and sent back to their farms or villages.

The official reason for this medieval system was to prevent overcrowding in cities, but it was also a way of forcibly maintaining labor on the land and at the same time disguising unemployment or under-employment.

If these restrictions are now really to be lifted, it would be an act as historic as the emancipation of the serfs in Russia a century ago. But it is doubtful whether the changes yet go as far as that they appear merely to ease the conditions under which internal passports are held, and make it possible to pay short visits to towns without having to secure a residence permit. But at least it's a start.

—From the *Observer* (London).

### Mideast Deadlock

None of the stars that rose over the Middle East in the last few days heralded peace as

—From the *Daily Telegraph* (London).

## In the International Edition

### Seventy-Five Years Ago

December 30, 1899

LONDON—The "Morning Post" in its second edition yesterday published a despatch sent from Durban on December 23 by its correspondent, Mr. Winston Churchill. He states that England has a formidable foe and that the Boer soldier is a better soldier than his English counterpart and that because of their strong determination the war will be a long one but peace is still possible if certain concessions can be obtained.

### Fifty Years Ago

December 30, 1924

AMHERST—Declaring that the forward pass, in its modern variations, is an "evil" to the game and is slowly regulating football into outdoor basketball, coach Harold (Kid) Gore of Massachusetts Agricultural College suggests that a touchdown resulting from a forward pass some only three points, the same as a field goal, instead of the present six points. He also suggests that one not be allowed to run after catching the pass.



The House Wins, Gentlemen—Strange, But I Feel Like a Patriot!

## The Shrinkage of Linkage

By William Safire

WASHINGTON—"Linkage"—that old Nixon policy toward the Soviet Union demand that for tax is dead. Its interment will take place when President Ford, in accordance with the trade bill the Congress has passed, gives the Russians what they want most: "most-favored nation" status, a lowering of tariffs and an economic boost.

In return for this important concession, the Soviet Union will give us nothing. But wait—what of the Jackson amendment, which supposedly ties trade concessions to the relaxation of Russian restrictions on the emigration of Jews and dissidents?

The Jackson amendment has become a fraud. Not because Sen. Henry Jackson is a fraud but because the letter-treaty from Secretary Kissinger, on which it is based, already has shown to be fraudulent.

"We have been assured," the secretary testified to the Senate on Dec. 3, that unreasonable impediments to Soviet emigration would be removed if the trade bill were passed. Assured by whom, a senator asked. By Messrs. Brezhnev, Gromyko and Dobrynin, replied Dr. Kissinger.

Gromyko Letter

Even as he was passing along this assurance, the secretary had in his pocket a letter from Soviet Foreign Minister Gromyko explicitly and heatedly denying any such assurances. The Gromyko letter of Oct. 36, which was not made public until after the Senate voted on the trade bill, warned that "attempts are being made to ascribe to the elucidations that were furnished by us the nature of some assurances, and, nearly, obligations on our part . . . We resolutely decline such an interpretation."

For the last week Soviet newspapers and television have been making it clear that there is no trade-for-emigration deal, conspicuously discouraging any of its citizens from making application to emigrate. Ignore those protestations, says our State Department: just a face-saving gesture, agrees Jackson. "Don't watch what they say, watch what they do" is our Mitchelian attitude.

What the Russians have done in the last year, of course, is to reduce emigration by one third, from 35,000 in 1973 to 22,500 in 1974, and Gromyko writes us that there is a "present tendency toward a decrease in the number of persons wishing to leave the U.S.S.R." How's that for an "assurance" of freeing more Jews?

Senators Jackson, Ribicoff and Javits, good men acting in good faith, claim there is a safeguard built into the trade bill. "Our priority is with the President," says Javits; unless the President

has "assurances" from the Russians to liberalize emigration, he cannot lawfully give them most-favored-nation status.

This puts the onus on President Ford: If he treats a Soviet wink and a nudge as an "assurance," despite public denunciations by the Soviet leaders of any such deal, then we cannot blame our stem guardians of the Senate.

Leaders of Jewish groups are begged by our secretary of state, who hints that the one-third slash in this year's emigration was Jackson's fault and would not have happened if "quiet diplomacy" and trade bills had been permitted. The Kissinger line goes like this:

Let's give most-favored nation status a try. If it works, fine, and, if it does not, then we can put the tariffs back on. We can't expect a superpower to admit that it is knocking under, so let's judge them on the record. If they tighten up, we'll tighten up and no harm done.

Because criteria differ and interpretations of statistics will vary, no clear judgment will be made on continued Soviet restrictions on emigration. Short

The trouble with the sound of such sweet reason is that the results can be rigged. Jackson's criterion may be an emigration total of 60,000 a year. But Kissinger has never agreed to that; if the total next year is 35,000, he will surely claim a 50-per-cent increase and explain that the ceiling on Export-Import Bank credits was merely irksome.

### No Clear Judgment

Moreover, the Russians have ways of discouraging visa applications: next year, their diplomats will be visiting congressmen to prove how Jews in the Soviet Union have been turned off emigration by letters from worried relatives in Israel (who may be worried about Arabs supported by Soviet arms).

Because criteria differ and interpretations of statistics will vary, no clear judgment will be made on continued Soviet restrictions on emigration. Short

of televised programs, Kissinger will claim success of his unwritten "assurances."

Eighteen months from now, when the trade bill calls for an accounting, the responsibility for change will have flip-flopped. As political parties assemble in convention, who will dare to suggest discriminatory tariffs be laid upon the Soviet Union? What politician in his right mind, with those irritating Jews representing only a fraction of the electorate, will demand an action that his opponent will denounce as a repudiation of détente and a return to the cold war?

Fuzzed up by State Department statisticians fogged up by well-meaning senators, our senseless gift of economic aid to the Soviet Union will surely stand. Our foreign policy will be based on murky understandings between individuals and—most important—our only leverage to pry open the gates of human freedom will have been lost.

### Gerald Ford

By no mere accident, the man who replaced Mr. Nixon in the White House has also shown himself unable to fill the vacuum.

He is an amiable man with old-fashioned values and creed that threaten nobody. He honestly believes in decentralization of political power from the White House to the cabinet and the Congress. He also favors the passing of economic power from the public to the private sector.

So it is not surprising, and certainly not an insult to anybody's intelligence, that he should fail to inspire the country during the political campaign. It figures that he would be unable to take hold at a moment when the economy was slumping badly. It even figures that the best hope for his administration would lie in the bare possibility that he will allow his Vice-President—until all past vice-presidents—to be come truly operational.

The failure of Europe to Japan to take up the slack has no explanation. They recovered from the prostration of World War II behind the shield of American power. They grew far to a large extent, on the American market.

So there was no instinct to set the pace when the United States faltered. On the contrary, the Europeans and Japanese have simply looked elsewhere for relations of dependence.

The Communist powers, up to now anyhow, have made little of this opportunity. The Russians have been too involved in their drive to improve standards of living. Moscow has restrained the Communist parties in Europe, the better to drive home deals for bringing advanced technology to the Soviet Union.

### The Chinese

The Chinese have been consumed by the struggle to develop a leadership after Mao. They have played almost no role in the world—not even with a Japan which cries out for an ever-richer diet of relations with Peking.

The cue missed by the Communists has been picked up by at least a few of the countries from the underdeveloped world. The oil-exporting nations have played upon the weakness of the West to force a dramatic increase in the price of their primary product.

There is taking place a prodigious transfer of wealth from the industrialized countries of the West to the dozen or so countries producing oil surpluses. Unless the West learns how to deal with the change, there could be a widespread slowdown of economic growth and even a world depression.

So it is tempting to wonder for Man of the Year the best-known leaders of the oil countries—the Shah of Iran or President Bourguiba of Algeria. But it looks as if they will prove to be evanescent. Brezhnev goes to Cuba next month, probably with a Castro of arms.

With luck, diplomatic pressures may ease the mounting Arab-Israeli tension by, perhaps, despite U.S. reluctance, resorting to another round of multilateral Geneva talks. Without luck we are in for another brutal war.

## INTERNATIONAL

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Arabs and Oil

When will the Arabs realize

that in killing the Western economies, they will ultimately deliver

themselves to the Russians? It is later than they think.

WILLIAM PASSIGLI

Switzerland

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Le Directeur de la publication: Walter N. TRAVEL

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## The World's Power Vacuum

By Joseph Kraft

WASHINGTON—As 1974 draws to a close, the selection of Man of the Year is more than an act of magnificence. For the historic fact of the past 12 months is the development of a power vacuum at what used to be the center of authority here in Washington.

Neither the Western world nor the Communist countries have thrown up leaders or institutions able to fill the void. Probably the biggest dent this year has been made by a shadowy figure weak in himself, who stands on the confluence of various autonomous power centers.

The void was prepared by the Watergate scandal and its striking denouement—the resignation of President Nixon.

The Congress, in particular, came out of the shadows. All the major acts of the legislature in 1974—from the impeachment bill and on to the reform of campaign practices and budgetary processes—worked to right a balance of power previously weighed much too heavily in favor of the executive branch.

But when it comes to making decisions, and choosing among conflicting priorities, the Congress has proved unable to make up its collective mind. Apart from a trade bill (of no great significance in view of the unsettled state of currency markets), the 93rd Congress enacted no important substantive legislation.

### Gerald Ford

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## Obituaries

## Amy Vanderbilt, an Authority On Etiquette, Dies in Plunge

NEW YORK, Dec. 29 (NYT).—Amy Vanderbilt, 65, who wrote a syndicated column on etiquette and the social graces, fell or jumped to her death Friday night from a third-story window of her Manhattan town house, the police said.

Miss Vanderbilt was pronounced dead on arrival at a hospital where she was taken after a passerby found her body near the front steps of the four-story building.

Miss Vanderbilt's husband, Curtis Keller, general counsel of the Mobil Chemical Co., a division of the Mobil Oil Corp., and Stephen Knopf, Miss Vanderbilt's son by a previous marriage, were in other parts of the residence at the time of the plunge, about 7:50 p.m.

Mr. Keller said that his wife had been in ill health and under medical care for nearly a year and that her health had been "a source of some concern to her." The police are investigating the circumstances of her death.

## Measure of Men

To Amy Vanderbilt, etiquette was more than a set of social rules or a guide to gracious living. It was a measure of the greatness and smallness of people.

For decades, she was the nation's best known authority on the subject, the successor to Emily Post as the arbiter of manners in an increasingly classless society.

She was a celebrity long before the 1952 publication of "Amy Vanderbilt's Complete Book of



United Press International

COMES OF AGE—Attired in traditional robe and headgear, Prince Norihito, 20, the third son of Prince Mikasa, who is a brother of the Emperor, is assisted in a coming-of-age ceremony at the palace in Tokyo.

## North, South Korea Dialogue Reduced to Pre-Talk Hostility

By Fox Butterfield

SEOUL, Dec. 29 (NYT).—Two and a half years after North and South Korea announced that they would begin talks, relations between them have largely reverted to their former state of hostility.

The meetings have grown increasingly rare and have bogged down in sterile exchanges. There has been a small but perceptible increase in military clashes in the last year and propaganda attacks have been reinstituted despite a no-flame pledge reached when the talks were disclosed in July, 1972.

In the last few weeks, North Korea has indicated that it may be trying to downgrade the talks even further by reducing the political meetings to the level of spokesman for the two delegations. At North Korean insistence, the talks were reduced from chairman to co-chairman in the fall of 1972.

In addition, shortly before President Ford's visit to Seoul last month, South Korean troops

walked in a variety of jobs, as an account executive, in an advertising agency, the business manager of a literary magazine known as the "American Spectator" and in public relations for several concerns.

## More Tunnels

The tunnel, reinforced with concrete and equipped with electric lights, was apparently started more than two years ago, about the time that the two countries agreed to begin their dialogue. American officials believe there are more Communist tunnels, some of which the South Koreans may have already located and will publicly announce at convenient times.

A spokesman for the New Democratic party said that 13 members were injured.

But American officials here carefully insist that all these signs do not mean that the two nations want to break off their dialogue entirely or that an outright break of war is imminent.

Instead, they stress that neither side would benefit from a renewal of the 1950-53 war that devastated the peninsula. And they believe that Pyongyang would need assurances of much greater, logical support from the Soviet Union and China than it presently has.

Some Western intelligence specialists also point out that North Korea's troops along the Demilitarized Zone are in "an essentially defense posture" and that there has been no recent change in their positions.

## Changes Begin

Moreover, despite the breakdown in the talks, the very existence of the talks has helped bring about some of the first changes between North and South since the war two decades ago.

Using the meetings as an argument for equality with the South, North Korea has broken out of its long international isolation.

RIO DE JANEIRO, Dec. 29 (AP).—A train hit a crowded bus on a grade crossing Friday near the suburban town of Sao Mateus, killing 26 and injuring 19 passengers on the bus, authorities report.

The bus caught fire and some passengers suffered burns. Police said the bus driver apparently had failed to stop at the crossing.

## 20 Die, 19 Hurt on Bus Hit by Train in Brazil

BOLOGNA, Italy, Dec. 29 (UPI).—Giuseppe Dozza, 72, a World War II Resistance fighter in France and Italy and mayor of this Communist showcase city, from 1945 to 1966, died yesterday after a long illness. Politically active since he was 14, he attended the 1971 Leghorn meeting at which the Italian Communist party was formed as an offshoot of the Socialist movement.

Charles Einfield

NEW YORK, Dec. 29 (NYT).—Charles Einfield, 73, a motion picture promotional executive, who retired in 1963 as vice-president in charge of advertising and publicity for 20th Century-Fox, died Friday in Ascona, Switzerland, where he resided.

## Precedents

There are precedents for a snap election in India. In December, 1970, Mrs. Gandhi dissolved Parliament and ordered an election in March, 1971, a year ahead of schedule. Her reason then was that the Congress party had split and she wanted a mandate for her Socialist program. The result was a stunning personal triumph for Mrs. Gandhi, whose party won two-thirds of the seats in Parliament. New elections are due March, 1976, at the latest.

Speculation about a new election began surfacing in the autumn and was officially revived on Dec. 21, when Mrs. Gandhi told Congress party parliamentarians that the electoral rolls in their districts should be brought up to date and that party members should return to their constituencies to strengthen their contacts with farmers, peasants, women and the poor. A decision by Mrs. Gandhi will probably be made in the next few weeks.

Mrs. Gandhi can suspend Parliament at any time and set a new election on the order of her hand-picked President, Fakhruddin Ali Ahmed. The arguments for an early election are well known," said Shir Mulgakar, the editor of the Indian Express. The government has no confidence that the economic situation can be stabilized in the 14 months that remain before an election is normally due. The fear is that things are likely to get worse before they get better.

Associated Press  
MOP-UP DETAIL—Japanese troops use shovels, mops and pieces of cloth to clean sand and rocks soaked by oil near Kurashiki, western Japan. The oil is part of a giant and spreading spill from storage tanks that has polluted the Inland Sea.

## Champagne Sales Drop Jars Trade Advertising Drive, Poll Are Under Way

By Louis Marcerou

REPERNAY, France, Dec. 29 (Reuters).—World economic problems are cutting into champagne sales both in France and abroad.

Champagne sales soared from 64 million bottles in 1963 to more than 124 million last year, bringing in 2.5 billion francs (about \$500 million) to the grape-growing province northeast of Paris and putting Epernay at the top of France for per capita income.

But in the first 10 months of this year sales went down by more than 15 per cent. Experts fail by nearly 20 per cent and home sales by more than 8 per cent.

Experts of the Champagne Interprofessional Committee, the trade's ruling body, estimate on the basis of these figures that sales for the whole year are likely to fall by about 20 per cent, a decline of about 24 million bottles.

The most spectacular decrease in sales abroad was recorded in Britain, with a 51-per-cent drop in the first 10 months of this year compared with the same period last year.

For the first time last year, champagne consumption in Britain exceeded 10 million bottles. It was 5 million in 1972, 7 million in 1971 and 6 million in 1970.

The decrease in purchases among champagne's other top customers during the first 10 months of this year was 33 per cent for Italy, 24 per cent for Belgium, 22 per cent for the United States, 28 per cent for Germany, 32 per cent for Sweden, 55 per cent for Denmark, 49 per cent for Norway and 9 per cent for Canada and Mexico.

The exception was Venezuela, in which about 20 per cent more champagne was purchased than in the corresponding period of last year.

A disturbing factor was that the French, who drank 82 million bottles of champagne last year, 83 million in 1972 and 80 million in 1971, bought nearly 7 per cent less in the first 10 months of this year than in the same period last year.

## 25-Per-Cent Rise

The price of champagne has gone up by 25 per cent since last year and many Frenchmen have turned to less expensive sparkling wines from Italy, Spain and France. The sparkling wines are making spectacular inroads on the market.

Beside being a result of the economic recession, champagne sales abroad have dwindled this year because foreign importers anticipated the price increase and stocked up during the final months of last year.

The Champagne Interprofessional Committee, established with state backing in 1941 to defend the interests of both wine growers and sellers, is determined to find out exactly why the French are buying less of the bubbly wine extolled by Voltaire in a famous verse:

De ce vin frais fécme pétillante

De nos François est l'image brillante.

(This wine where sparkling bubbles dance Reflects the brilliant soul of France.)

The committee has ordered a nationwide survey from a public opinion polling organization and has drawn up a list of questions aimed at finding out the average Frenchman's attitude toward champagne in the context of the present economic troubles.

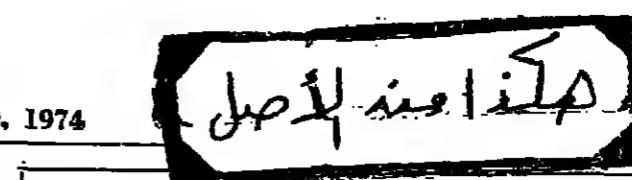
## Advertising Campaign

An extensive champagne advertising campaign, including daily broadcasts on two radio stations, began in the middle of last month and will last until the end of the year.

Champagne as it is now known was born in the late 17th century. The man who put the bubbles into the bottle was a blind monk, Dom Perignon. Working as cellar master in the Benedictine abbey at Hautvillers, near Epernay, he discovered that corks tightly drawn in the bottle retained the naturally expanding gas and allowed for a second fermentation which produces champagne.

Despite the economic problems, experts from the 145 large champagne companies and the 15,000 individual grape growers, 2,000 of whom produce and sell their own champagne independently, remain optimistic. Among other things, champagne has survived wars, revolutions and vine pests.

A police statement announced

Associated Press  
OUTER DIRECTED—Drivers on an autobahn in West Germany get lots of advice.

## Ex-Premier Thanom Is Ousted by Thailand

BANGKOK, Dec. 29 (Reuters).

Former Thai Premier Thanom Kittikachorn today left the country he once governed by decree, expelled just two days after he returned from exile in the United States.

The government, fearing violence if he stayed much longer, kicked Mr. Thanom out of the country on a special plane to Singapore, along with his ailing, 88-year-old father, Mr. Thanom, said after his arrival here on Friday that the only motive for the visit was to see his father.

The Singapore government has agreed to allow Mr. Thanom to remain temporarily until another home in exile is found for him, Foreign Minister Charunphon Israngkum Na Ayutthaya said.

Mr. Thanom's surprise unauthorized return on Friday touched off protests by students and others. Mr. Thanom's military-led government resigned in October, 1973, after student rioting directed against the regime. The student demonstrators were harshly dealt with before Mr. Thanom yielded to their demands for a return to democratic rule. Mr. Thanom, a former field marshal, had been premier of Thailand for eight years before he seized absolute power in 1971.

## In Detention

The government placed him in detention after his return Friday, then shifted him from Bangkok to a town 85 miles away. It finally decided he should be expelled to head off an trouble that might affect next month's general election.

With Mr. Thanom, 63, on the flight to Singapore were his wife—who with the former premier had come here from Boston—his sister, his father, a doctor and a senior Foreign Ministry official.

Premier Sanya Dharmasakti said that Mr. Thanom had asked to be flown to a country nearer Thailand than the United States because he feared his father would not survive a long flight.

U.S. officials said the Embassy here issued a visitor's visa today for Mr. Thanom at the request of Thai authorities. There was no indication whether he would go back to the United States after visiting Singapore, the officials said.

## Motorcade to Embassy

The Singapore government said in a statement tonight that Mr. Thanom and his party could remain until they made other arrangements. The group was taken

## 120 IRA Members Free 15 Hostages, End Prison Riot

DUBLIN, Dec. 29 (AP).

Scores of members of the illegal Irish Republican Army tonight released 16 guards they had held hostage in a wing of Ireland's top-security jail, Fort悲les Prison, 20 miles southeast of here.

Officials said that the prisoners were escorted back to their cells tonight and that there had been no fighting and no casualties.

Officials said that 120 of the 150 IRA men in the prison had been involved in the rebellion, apparently to protest the Christians' dinner of soup, chicken and plum pudding. The prisoners blockaded themselves and their hostages in the main cell block with beds, mattresses and furniture.

On a good day, he can make 20 cents or so, just enough to buy the rice he needs to stay alive. Then, at night, he plays cards with friends until 2:30 or 3 a.m., when he beds down on the sidewalk in front of the theater. He is now rummaging through garbage dumps to find suitable cans and bottles.

Nguyen Van Phu, 13, does not know where his father is, except that his father is in the army. His mother died, leaving him no other relatives, so the youth has

nothing to do but go to school.

Nguyen Van Huong's family was split, scattered by the Communists' 1968 Tet lunar new year offensive. He lost track of them, took to the streets and now is

in a home for street boy run by Richard Hughes, an American who came to Vietnam as a freelance journalist in 1968.

Mr. Hughes established the Shoeshine Boys Project, which has eight homes housing 160 youngsters who are sent to school or taught skills such as auto-body repair, refrigerator maintenance and farming. But Mr. Hughes says, contributions are down sharply. And the streets are still full of the "dust of life."

## Pope Bars Extension Of Jesuit 4th Vow

ROME, Dec. 29 (UPI).

Pope Paul VI has blocked the extension of nearly every Jesuit, including those who are not priests.

The Pontiff, who must approve any change in the "subtilis" charter, said such an extension would pose "serious difficulties" and that he would not allow it.

## Trapeze Artist Killed

SAN JUAN, Puerto Rico, Dec. 29 (UPI).

An American trapeze artist plunged 100 feet to her death yesterday in a city square when a supporting pole she was using broke. Betty Boatwright, 42, of Florida, was known professionally as Vetsina.

## Fabric of Society

Street boys are often called war

ties. But the war has been

so woven into the fabric of this

society that it is no longer pos-

ible to trace its threads through the poverty and the breakdown

of a given family.

Le Van Loi, for example, says

he was beaten by his father when

he ran off to play instead of

helping in the family's small

business.

Nguyen Van Phu, 13, was

born in a small town in the

northern part of the country.

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## How Reagan Learned 'Art of the Possible'

By Leroy F. Aarons

SACRAMENTO (UPI)—In 1968 a former cowboy actor named Ronald Reagan galloped into the statehouse at Sacramento, rhetorical six-guns blazing at "bleeding heart" liberalism.

To the bleeding hearts—and many other persons—the prospect of this amateur politician promising nothing short of disaster, California would never survive Reaganism, they predicted.

Eight years later, as an older and politically wiser Ronald Reagan leaves the office of governor, the doom-sayers are admitting that the state still exists—not quite as Mr. Reagan found it, but intact, to pass along to Edmund Brown Jr., who succeeds Mr. Reagan Jan. 6.

The almost unanimous consensus here is that Mr. Reagan's Republican rule could have been better, but it also could have been much worse.

Mr. Reagan, at 63, represents different things to different people. To loyalist Frank Walton, a member of Mr. Reagan's administration who led a tribute dinner to the governor last week, he ranks with "the greatest leader of this earth . . . the man born in a stable whose birthday we are about to celebrate."

Fred Dutton, a Democratic member of the controversial California Board of Regents and a frequent critic, he was all sound and no substance. I don't think he arrested the vigorous progressive movement of the state. He made sort of a chicken scratch."

The latter characterization, naturally, is offensive to Mr. Reagan's circle, which has been busy compiling a list of achievements of his administration.

He has been granting frequent interviews in the waning weeks of his term. He said: "All you can do is hope you have set a standard [and] that public opinion will be opposed to drastic reversals."

Mr. Reagan has no plans to slip into obscurity and allow his record to fend for itself. Through a daily, nationally syndicated radio column, frequent contributions to newspapers and a heavy schedule on the "mashed-potato circuit," he plans to keep his brand of conservative philosophy steadily before that public. In 1976, should the chance for a GOP presidential nomination come, there is little doubt he will be available.

At the risk of oversimplification, some general conclusions about his state administration can be offered:

• Had he not been faced with resistant Democratic majorities in the state legislature for six of his eight years, Mr. Reagan might have been able to initiate far-reaching conservative changes in the way California handles its taxes, its expenditures, its poor and its environment.

• Often called rigid and uncompromising, Mr. Reagan ultimately demonstrated a capacity to adjust. After a first term in which his scorn for the legislature was undisguised, he learned the art of hard bargaining and compromise.

• Although he was reluctantly ready to deal, Mr. Reagan never budged from his faith in free enterprise and his suspicion of government. He constantly struggled against the spiraling tide of government spending, vetoing hundreds of money bills and social programs to the dismay of the legislature's liberal wing.

• Mr. Reagan lost the spending battle in the long run; he found himself forced to approve a record \$1-billion tax increase his first year. Since then, the budget has more than doubled from \$6.6 to \$10.2 billion. In 1973, his effort to pass a constitutional initiative putting a lid on the legislature's taxing power was overwhelmingly rejected.

• On the other hand, during his administration Mr. Reagan managed to give back to the taxpayers more than \$5 billion in property and general tax relief. He is leaving a substantial surplus, possibly as much as \$400 million.

• Mr. Reagan has kept the administrative cost of government under control. One of his most praised achievements was keeping state employees at about the same number (approximately 100,000) as when he took office.

• He is generally applauded for the quality of his judicial appointments and the honesty of his administration.

• On the other side of the coin, Mr. Reagan's critics say he was partial to moneyed interests, insensitive to the underprivileged, indifferent to the importance of curbing growth and anti-intellectual in his dealings with the state's public colleges and universities.

Shortly after taking office, he slashed the state's mental health budget but ultimately was forced to reverse himself. When students rioted at Santa Barbara, he said publicly, "If there is to be a bloodbath, let it be now." When the California Rural Legal Assistance Agency began winning public-interest suits against the state, he launched a vigorous campaign to eradicate the agency.



Ronald Reagan

And when a free food program demanded by Patricia Hearst's kidnappers began, Mr. Reagan remarked, "It's just too bad we can't have an epidemic of botulism."

While his rhetoric usually was worse than his bite, Mr. Reagan's pronouncements, particularly in the long struggle with the state university system, helped create a strident atmosphere that spilled over into other areas.

### Spending Soared

When Mr. Reagan arrived on the scene, California was rounding out several decades of so-called progressive government. His predecessor, Edmund (Pat) Brown—father of the man who will succeed Mr. Reagan—was governor from 1955 to 1966. In that time state spending for education and social welfare expanded greatly, and by 1968 was spending about \$1 million more each day than it was taking in.

But times were changing. The public tax bite was beginning to hurt. The University of California at Berkeley had been the scene of the nation's first student disturbance—the Free Speech Movement of 1964. The Vietnam war was beginning to divide the populace.

Mr. Reagan arrived with simple answers—less government, less spending, less control—to complex problems. By his own admission, he latched onto the Berkeley issue when he saw it catching on with students.

"Whether I was up in the High Sierras or in the desert or in the biggest city, inevitably the first questions were 'What about the mess in Berkeley?' and 'What

### A Time to Talk—Perhaps the Last Chance—for Rhodesia

By Charles Mohr

SALISBURY, Rhodesia (UPI)—The whites of Rhodesia still walk along Salisbury avenues named for the great African empire builders: Stanley, Baker, Speke, Rhodes. An evening television show carries a commercial that advertises a benefit variety show for the families of men killed fighting black "terrorists."

It is almost as if nothing had happened in their comfortable and prosperous society.

But something of considerable importance is under way. It is another attempt, possibly the last that will ever be possible, to settle the protracted Rhodesian problem, as southern Africa becomes increasingly black-ruled and increasingly hostile.

A settlement in Rhodesia, which blacks call Zimbabwe, would follow Portuguese decolonization, usher in a new period of relaxation in the subcontinent, especially if South Africa also gave up its disputed control of the former German colony of South-West Africa (Namibia) as it is now considering.

The problem has existed since the late 1950s when it became unmistakably clear that Britain would have to give up its colonies in Africa. In almost every case, this proved easier than thought at the time but Rhodesia was a special case because it was, par excellence, a "settler colony" and it had been self-governing since 1923, with democracy for whites relatively well.

### Provincial, Pleasant

The white society here is provincial but pleasant, with home, automobile and swimming pool ownership about the highest per capita in the world.

The Land Tenure Act reserves more than half the land for white ownership and occupancy, and insures strict segregation of urban blacks in townships. Employment

## Assessing U.S.-Soviet Detente: It Fills a Void If Not the Bill

### Kremlin Immunization

(The writer recently completed a three-year assignment as chief of the Moscow bureau of The New York Times.)

By Hedrick Smith

NEW YORK (NYT)—Three years ago, as detente became a headline issue, many in the West and some in the Soviet Union thought that a new era of East-West accommodation would open up Soviet society, bringing reform and liberalization in many walks of life.

It is apparent now, however, that the Soviet leadership—with increasing self-confidence and pragmatism—has found a formula for achieving the foreign policy and economic dividends of accommodation with the West without paying the price of relaxing controls at home.

The ruling group, headed by Leonid Brezhnev, has shown a determination not to allow repetition of what happened somewhat more than a decade ago under the late Nikita Khrushchev, when the promotion of friendly relations abroad stirred ferment at home.

The Kremlin has made some tactical concessions, such as in the field of Jewish emigration and in the treatment of a handful of world-known dissenters. But these have been minor adjustments that have not affected the established order at home. They were not reforms heralding a transition to a new and more liberal era.

### No Major Changes

The Soviet Union has imported billions of dollars' worth of Western technology, bought millions of tons of grain and acquired computers and entire factories without decentralizing or reforming the economy substantially or even significantly altering the secretive style of its foreign dealings.

It has stopped jamming selected Western radio stations but has kept sufficient controls at home to prevent the contamination of free ideas from stirring new creativity among the intelligentsia, many of whose members seem more interested in the latest Western fashions than in independent ideas.

Censorship remains tight. Except for brief, chance encounters, foreigners are allowed to mingle with only a selected segment of society. Even in the joint space program, American specialists were barred this fall from the Soviet launching site; similarly, American agricultural technicians were kept from five areas they had asked to see in the virgin lands—this just as Moscow was preparing to enter the world grain market again.

Repression remains a well-remembered deterrent to all but a few disorganized dissidents, whose ranks have been thinned by the official decision to exile some of the more prominent dissenters.

A year ago, Alexander Solzhenitsyn

of immediate majority rule and still retain his influence. And it is difficult to assess the strength as yet untested, of the black leaders' unity pact agreed upon two weeks ago in Lusaka, Zambia.

There are even greater dangers on the white side. One possibility is that Mr. Smith's Rhodesian Front party, which holds all 50 reserved white seats of the 66-seat Parliament, will dump him as leader. A more likely possibility is that, seeing the revolt developing, Mr. Smith will prevent it by a last-minute refusal to settle.

What might prevent this gloomy outcome is that Britain, which South Africa, Zambia and Tanzania.

South African Prime Minister John Vorster, whose own country embraces the most rigid form of segregation, and Zambia's black failed in several previous attempts, has been replaced as a broker by President Kenneth Kaunda jointly acted, after secret indirect diplomatic contact, to force the two Rhodesian sides together.

### Hints by S. Africa

Zambia and Tanzania are in a position to exert pressure on black Rhodesians by threatening to withdraw support and use of their land as a base for guerrilla activities. South Africa reportedly has hinted, if not threatened, to cut off Rhodesia's main rail link and to withdraw its security troops which support Rhodesia's small military force against black guerrillas attacking white farmers.

Although Mr. Vorster has the potential power to strangle Rhodesia economically, this would not be an easy step for a white politician in South Africa to take. There remains some danger that Mr. Smith, torn between rightists in his own electorate and outside pressures, might again detain the black nationalists and try once more to maintain "our way of life."

Outside pressures alone might not be enough to prevent this.

nation was a cause célèbre, a constant annoyance to Soviet officialdom, a rallying point for other dissenters. Today he is a distant voice in Zulian. His books are still read eagerly and secretly. He is not forgotten but is far less formidable.

The government has avoided a repetition of Khrushchev's taunts that Communism will bury capitalism and the temptation to order Western Communist parties to raise political havoc in such countries as Portugal, Greece, Italy and France.

But speeches by Poliburo members this fall have hinted that some still harbor the hope that capitalism will bury itself. Indeed, insiders report that in appearances before selected audiences, party leaders have struck that theme, emphasizing the powerful leverage of high-priced oil and gas exports to the West.

"When all those pipelines are built to Western Europe, remember, we will have the levers in our hands," a party official boasted to an American.

With the West in economic and political disarray, the Kremlin projects an air of confidence that contrasts sharply with its defensive uncertainty after worker riots erupted in Poland in December 1970, and it felt compelled to promise the Soviet people a five-year plan that would show greater growth for consumers than for heavy industry.

That pledge has now been openly abandoned. Recently, Deputy Premier Nikolai Balabakov said that targets set in 1971 for consumer growth had "proved unattainable" during the last four years and then he promptly announced that next year the plan would reverse its original priorities and would give greater stress to heavy industry than to the consumer sector.

The Soviet economy continues to be plagued by poor management, inefficiency, lagging productivity, inadequate use of factory facilities and construction slowdowns, as Mr. Balabakov conceded, and also by overcentralized planning and control, as he did not acknowledge.

Mr. Brezhnev, heading the Communist party apparatus, has reportedly tried during the last two years to put for some modifications in the centralized control. But the other top members of the leadership, President Nikolai Podgorny and Premier Alexei Kosygin, have reportedly blocked him from making any structural changes. High-level Communists were asked to see in the virgin lands—this just as Moscow was preparing to enter the world grain market again.

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A year ago, Alexander Solzhenitsyn

### INSIGHTS/SIDELIGHTS

## Benefits to the World Outweigh Drawbacks

(The writer is a former U.S. ambassador to the Soviet Union. He is now a fellow at the Woodrow Wilson International Center for Scholars.)

By George F. Kennan

WASHINGTON (WP)—The fact that the process of detente has been accompanied neither by any marked liberalization of Soviet internal practices nor by any reconciliation of their stance compared with the United States on the problems of third countries or areas, notably the Middle East, should surprise no one. The Soviet leaders cannot be expected to compromise, at least not at the moment, in the light of Chinese competition, to appear to be dropping their ideological guard or abandoning their Leninist-Marxist principles. That this is so constitutes no adequate reason for failing to make the most of those areas where Soviet and American interests might coincide. This, surely, is what, not only the Ford administration, but its two most recent predecessors, have been attempting to do.

The recent passage of the trade bill by the Senate permits us to hope that the issue of most-favored-nation treatment for imports from the Soviet Union, an issue of minor practical importance which was unfortunately permitted to become one of high symbolic significance, will soon be overcome. The road will then open for a further development of what has already been achieved in the field of Soviet-American trade.

However, dealings by American firms with a foreign governmental trade monopoly require constant scrutiny and minimal degrees of governmental regulation to assure that they do not proceed to the detriment of the national interest. Such is the fragmentation of authority within the executive branch that the U.S. government is today poorly constituted to meet this responsibility. Once this requirement is met, the further expansion of Soviet-American trade is only likely to be welcomed.

### SALT Disappointment

It is, of course, disappointing that the SALT talks have not yet led to any appreciable reduction of nuclear arsenals. But the internal inhibitions that have thus far prevented their doing so are equally powerful on both sides. The failure to make greater progress should, therefore, not be held against the negotiators.

It is important to recognize that what one is dealing with in these talks is not proper weapons, capable of rational and effective use in warfare, but grotesquely excessive quantities of devices scarcely less dangerous to potential users than to potential victims—devices that have, therefore, primarily psychological rather than practical significance. The talks, in other words, are concerned with appearances rather than realities; and it is the appearances which one is concerned, for good and sound reason, not to destabilize.

Seen from this standpoint, the ceiling established at Vladivostok represents a useful beginning, the value of which should not be underestimated. Meanwhile, the mere continuation of these discussions, from which both sides gain a more reliable and reassuring picture of each other's motives and calculations than could be obtained in any other way, is of greater importance.

### Marxist-Leninist Heirs

These men are, of course, the heirs to the Marxist-Leninist ideology which lies at the origins of their system of power. The legitimacy of their rule depends on it. They cannot be realistically expected to deny or ignore it. This, together with certain internal practices which seem to have become habitual with them, will long continue to constitute limitations on the sort of understanding we can hope to reach with them.

Present-day Soviet leaders are a long way from the sweeping cynicism and malvolence that marked the mentality of Stalin. They represent, however, an aging regime; and their priorities, like those of most older men, relate primarily to the development and preservation of what they have rather than to the incurring of great risks to acquire what they have not.

There is no greater mistake the West could make in policy toward Russia than to assume that the Soviet leadership has no attractive alternatives to the continued effort to arrive at better relations with the United States, or that these alternatives, once adopted, would not be worse for the United States—the predictable strains of the coming year upon the United States and its European allies are such that they are going to need, and should value at full worth, the best possible background of relations with the Soviet Union.



THAW IN MOSCOW—Unseasonal temperatures in Moscow have melted the snow and left puddles in Red Square.

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## Euromarket

## '74 Bond Volume Off Over 50%; Bank Loans About 25% Higher

By Carl Gewirtz

PARIS, Dec. 29 (UPI)—A certain amount of confusion inevitably surrounds the year-end estimates of Eurobond and Eurocurrency activity, since few banks use exactly the same criteria to determine which business to include or the same exchange rates converting the figures into a common currency.

But while the gross figures vary, the story they tell is the same: The volume of business on the bond market fell more than 50 per cent from the 1973 level, and was diverted to international and syndicated bank loans, where volume was up about 25 per cent.

Credit Commercial de France, for example, puts the value of Eurobonds floated during the year at \$1.774 billion, down 51 per cent from the \$3.6 billion of 1973. The bank says that 48 per cent of the business was transacted in dollars (compared to 55 per cent in 1973) and 14.5 per cent was in deutsche marks (down from 28 per cent).

The big surprise was an almost twofold jump in the volume of business denominated in guilders—30.2 per cent of the total compared with 5.7 per cent in 1973.

## Speculative Favorite

The sudden strong popularity of the guilder—the speculative favorite of investors who deem the currency most likely to appreciate—captured two Dutch banks to the top of the league table, compiled by CCP. Its list of lead banks managing Eurobonds puts Amsterdam-Rotterdam first with eight issues. Three banks are tied for second place with five issues—Algemene Bank Nederland, Kreidelsbank Luxembourg and CCP.

The Kreidelsbank statistics are

quite different, mostly because they do not include guilders-denominated bonds (because they are private placements and not listed on any exchange).

Kreidelsbank says that volume for the year fell 58 per cent to \$1.436 billion and that the dollar accounted for more than half the issues floated.

In its league table of issues managed and/or co-managed, Kreidelsbank is on top with 26 issues valued at \$624.7 million. Second is St. Géralde de Banque with 18 issues valued at \$471.5 million followed by Deutsche Bank with 12 issues valued at \$420.5 million. Next is Banque de Bruxelles with 18 issues valued at \$420.1 million and CCP, with 17 issues valued at \$386 million.

Dresdner and Westdeutsche Ländeskredit are sixth and seventh, followed by Crédit Suisse-White Weid.

Banque de Paris et des Pays-

Bas and Swiss Bank Corp. are at the bottom of the top 10 banks.

A sign of change to be expected in the league ratings next year is Kreidelsbank's estimate that three Arab banks moved into the top 10 in the final quarter of the year—Kuwait Investment Co., Kuwait International Investment Co. and Kuwait Foreign Trading Corp.

It is estimated that Arab investors accounted for about 20 per cent of the activity in the fourth quarter (during which time about a third of the year's business was transacted).

Putting an estimate on the size of syndicated bank loans negotiated during the year is trickier, since many of these are not published. However, CCP estimates that \$30 billion was lent in 1974, of which \$22 billion was

## Economic Indicators

## WEEKLY COMPARISONS

	Dec. 7	Latest Week	Prior Week	1973
Commodity Index	2,472,800	2,220,7	2,220,7	2,220,7
Consumer in dist.	\$75,472,800	\$77,823,000	\$71,220,000	\$71,220,000
Total loans	\$121,182,000	\$103,545,000	\$111,785,000	\$111,785,000
Steel prod. (tons)	2,455,000	2,563,000	2,507,000	2,507,000
Auto production	128,565	113,835	139,297	139,297
Dallyl (1000s)	42,000	38,865,000	38,865,000	38,865,000
Fuel oil (1000s)	422,965	422,965	422,965	422,965
Electric Pow. kw-hr.	36,855,000	34,594,000	34,700,000	34,700,000
Buses (thousands)	201	184	203	203

Statistics for commercial-agricultural loans, carloadings, steel, oil, electric power and business failures are for the preceding week and latest available.

## MONTHLY COMPARISONS

	Nov.	Prior Month	1973
Employed	85,228,000	85,511,000	85,429,000
Unemployed	8,576,000	8,513,000	8,454,000
Ind'l Prod.	124.9	123.5	127.0
Personal Income	\$1,186,400,000	\$1,178,800,000	\$1,090,800,000
Money supply	\$281,900,000	\$250,700,000	\$265,600,000
Crates packed (1000s)	1,122	1,122	1,122
Crates packed	145	137	131
Min's inventories	\$145,800,000	\$162,975,000	\$116,485,000
Exports	\$8,654,000	\$8,236,000	\$6,585,400
Imports	\$8,655,100	\$8,519,500	\$5,995,300

\*000 omitted. tFigures subject to revision by source.

Commodity index based on 1967=100 the consumer price index for 1967=100, and industrial production is compiled by the Bureau of Labor Statistics. Industrial production is Federal Reserve Board's adjusted index of 1967=100. Imports and exports are compiled by the Department of Commerce. Money supply is total currency outside banks and demand deposits adjusted as reported by Federal Reserve Board. Business failures compiled by the U.S. Commerce Dept. Construction contracts are compiled by the F. W. Dodge Division, McGraw-Hill Information Systems Company. tPreliminary.

transacted in the first six months and most of the remaining \$8 billion in the final three months of the year.

Estimates by two leading banks in London (which prefer anonymity) put the total at between \$25 billion and \$25.5 billion. By contrast, estimates for 1973 put that year's volume at double the pace of

that means the loans not raised in the bond market were easily shifted to the banking sector, although at less favorable terms (shorter maturities and floating rates).

However, the growth of the Eurocredit market—which in the opening months of the year was running at double the pace of the next six months and probably longer.

By Thomas E. Mullaney

NEW YORK, Dec. 29 (NYT)—In times past, it was fashionable in this, the fall-end period of the year, for many persons to take stock and draft resolutions to repair troublesome failings in the upcoming 12 months. Most of the promises and programs, of course, would be diluted or abandoned as the new year went along. But there was always a measure of conscientious concern and satisfaction derived from the annual exercise.

Those in the economic and business world who still follow such a ritual will have no difficulty listing a full catalog of worldwide objectives for 1975, which promises to be one of the most trying years in the last three decades.

The waning days of 1974 have provided many businesses with rather alarming forewarnings. It is quite clear now that the American economy, as well as those of many other Western nations, is mired in a pervasive, deepening recession concurrent with a persistent, lofty rate of inflation that seems certain to continue for many months.

Unless there is some dramatic—and unforeseen—development, the prospect is for an even lower level of economic activity, rising unemployment, reduced personal income and living standards, declining business sales, mammoth supply and cost problems in the financial system, pinched corporate budgets and a general, severe profit squeeze in the new year.

## Hard Times Seen

Economic analysis, almost without exception, foresees hard times for business, the American public and the world for at least the next six months and probably longer.

## The U.S. Economic Scene

## Some Basic Resolutions for the New Year

One of the gloomiest analyses was issued in Paris 10 days ago by the Organization of Economic Cooperation and Development, which continuously studies economic trends in 24 industrialized countries of Western Europe, North America and Asia. It projected a "pronounced and prolonged slowdown" involving the risk of a "break in confidence" unless corrective action is soon taken.

The OECD foresees an absolute

decline in real economic activity in the United States again in 1975 and slower growth in almost all other countries, little anti-inflation progress in most places and a further rise of 4 million in the jobless totals for the Western nations after a 2-million increase in the last two years.

If the OECD prediction proves correct, it will mean an even more trying period than generally envisaged for this country in 1975. The tendency of many Americans

to bid "good riddance" to a difficult year at midnight next Tuesday might prove misdirected.

Indeed, 1974 might eventually prove to have been the easier year, as a recent article in Foreign Affairs suggested in discussing the tremendous balance-of-payments and recycling problems looming in the wake of the five-fold increase in international oil prices during the last year.

To offset the gloomy predictions for 1975, the Ford administration and other segments of American society will have to resolve to mend some of their ways.

## Administration's Duty

As the basic formulator and leader on economic-policy questions, the administration bears particular responsibility for initiatives on energy, inflation, recession and international relations.

Some new directions are almost certain. The various options, especially on energy and tax policy, have been taken to the President by his advisers during his skiing holiday in Vail, Colo. While his plans are yet undisclosed, a prominent banker remarked rather caustically a few days ago: "I hope he receives in 1975 no longer to do that which is supported by 81 per cent of the people"—a reference to the President's justification several weeks ago for a sharp new tax on gasoline to help reduce consumption and pay for some of the recommended unemployment programs.

In the spirit of President Kennedy's memorable inaugural address 14 years ago, in which he pleaded, "Ask not what your country can do for you—ask what you can do for your country," there is an overwhelming present need for commitment by government.

(Continued on Page 9, Col. 1)

## New York Stock Market

By Alexander R. Hammer

NEW YORK, Dec. 29 (NYT)—Despite a dearth of bullish economic news, the stock market managed to finish with small gains last week in moderate trading.

The Dow Jones industrial average closed the week up an indifferent 3.63 points at 6031.6. So far this year, the Dow has tumbled 242.70 points, mainly because of the widening recession, inflation, the oil embargo and rising oil prices and high interest rates.

Prices on the New York Stock Exchange staged a broad retreat on Monday, scored moderate gains on Tuesday and Thursday and ended lower on Friday. The market was closed on Christmas Day.

Monday's weakness was attributed mostly to individual selling. Monday was the last day in which a profit applicable to 1974 income could be taken under regular five-day delivery. Losses that can be squared against 1974 income can be taken through the final 1974 session.

The gains on Tuesday and Thursday were termed strictly technical and resulted mainly from bargain-hunting by many institutional as well as individual traders in depressed blue-chip and some quality glamour stocks.

On Friday, the Commerce Department reported that its index of leading economic indicators declined 1.5 per cent in November. This was the fourth consecutive drop in the index and tended to reinforce the belief that the recession is intensifying.

Another depressant on Friday was the news that the nation had a trade deficit of \$133 million last month.

In the credit markets, corporate bonds fell sharply in price on Monday in response to the record calendar building up in January. Government issues were also weaker on Monday after the Treasury announced an additional \$3 billion in notes. During the remainder of the week, prices recovered part of their earlier losses in dull trading.

(Continued on Page 9, Col. 1)

## Over-Counter Market

## Sales in Net High Low Last Chg



## Euromarket

(Continued From Page 7)  
1972 was sharply below the 100-per-cent gain registered in 1973 over 1972.

The sudden halt in 1974 volume, bankers agree, was a result of the failure of Bethlehem Steel in June. Suddenly the liquidity of the market and the quality of the credit risks became reality and new business was completely halted. The U.S. Federal Reserve Board started pressuring banks on the need to increase their capital base before assuming new obligations in effect putting a worldwide loan ceiling on U.S. banks.

Other banks, which did not generate any significant volume of income in dollars, but which had participated heavily in the

euromarket (80 per cent of whose volume is in dollars) suddenly found they were in an extremely vulnerable position without any backup lines assuring them access to dollars in an emergency.

A halt between banks came to a halt and the oil producers' surplus-dollar income was diverted to the biggest, safest banks in the world, leaving the smaller

banks and the new business was completely halted. The U.S. Federal Reserve Board started pressuring banks on the need to increase their capital base before assuming new obligations in effect putting a worldwide loan ceiling on U.S. banks.

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## Economic Scene

(Continued From Page 7)  
ment, Congress, business, labor, farmers, financial institutions and others. Here are some suggestions:

President Ford: To be more interested in domestic economic issues more aggressive and less procrastinating in pursuing feasible solutions, while also continuing a broad dialogue on international problems with all nations.

Specifically, there is need for a suitable program for achieving a 1-million-barrel-a-day reduction in imports of foreign oil through the tariff route—higher levies accompanied by ancillary measures to deal with the adverse effects of that tax. The President should also press for major tax action: a temporary tax reduction, across-the-board, to bolster consumer incomes and business operations and restore confidence.

Congress: To move with greater speed on urgent programs to cope with the current stagflation in the economy, while avoiding the temptation of overstimulative spending measures.

The major need is a quick response to any proposed tax incentives, minus the long and political bickering usually involved in such legislative actions. The final days of the 93rd Congress demonstrated that it can be done, as proven by the new trade bill. But it should move slowly on another matter—a new controls program.

Business: To be more responsive to the nation's needs in pricing, environmental protection, better product quality and a wide range of social obligations.

The business world has been suffering from deteriorating credit for years and runs the risk of greater restrictions and controls if it does nothing to win back public and government respect and understanding.

Labor: To pursue efforts, in conjunction with business, to improve productivity and efficiency so that the nation can compete more effectively with the rest of the world and to aid in the fight against rampant inflation.

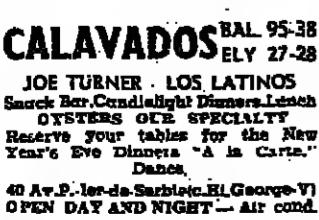
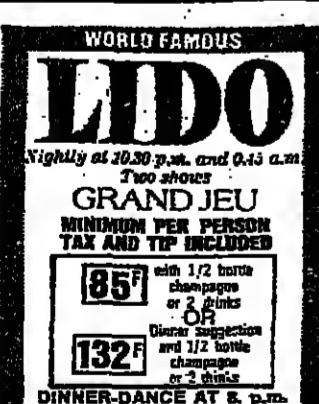
It means better performance by the American workers, less unnecessary absenteeism, less featherbedding and less obstruction to the goals of greater output per manhour in every possible way.

Farmers and Ranchers: To maintain maximum production of crops and livestock to provide the nation's food needs at more reasonable price levels and to create the necessary supply to help alleviate hunger in other parts of the world.

The world is heavily dependent on American farms, by far the most productive anywhere. Anything less than a maximum effort would be disastrous. The nation has a right to expect all-out performance from this area of the economy, which its government has aided for 40 years with price supports, flood-control projects, irrigation and other benefits.

Banking and Finance: To keep fees and interest rates at levels reasonable enough to permit business and the public to satisfy their needs and help advance the nation's economy to its normal growth pattern again.

## PARIS AMUSEMENTS



## 2d U.S. Firm Cuts Increases In Price of Its Steel Products

PITTSBURGH, Dec. 29 (AP)—Bethlehem Steel Corp., following the lead set by U.S. Steel last week, announced yesterday a partial rollback of price increases scheduled to take effect tomorrow.

Bethlehem, the nation's No. 2 steel producer, said that it would drop increases for tin plate and steel rail, which together accounted for about 20 per cent of the boosts announced last Monday.

Tin plate is used almost exclusively in the tin can industry, while steel rail is used for railroad tracks.

Bethlehem said that the other increases, including 4 per cent on plate steel and 6 per cent on structural steel, would take effect as scheduled.

The firm added that it would comply with a request by President Ford's Council on Wage and Price Stability not to increase the prices again before June 1, 1975.

Last Monday, Bethlehem posted price increases on about half of its products and said that they worked out to about 25 per cent across its full product line.

U.S. Steel, the nation's largest steel producer, had announced increases on two-thirds of its products, saying that they amounted to a 4.7-per-cent boost across its full product line.

But within hours of the Bethlehem price-cut announcement, U.S. Steel said that it was trimming its increases by 20 per cent, despite earlier indications that there would be no rollback.

U.S. Steel and Bethlehem have said that the percentages cited are "overall" figures, meaning that the prices of some items included in the averages were not increased.

Neither firm would disclose in-

creases for individual products.

However, independent calculations showed that U.S. Steel's increases averaged more than 3 per cent on items affected and that Bethlehem's averaged about 5 per cent.

In Washington, a spokesman for the Council on Wage and Price Stability said: "We feel the action taken by Bethlehem is constructive in fighting inflation."

**U.S. Steel's Increases**

CHICAGO, Dec. 29 (AP)—The Inland Steel Co. announced on Friday that the base prices of its steel mill products will be increased an average of 1 per cent tomorrow.

The company said that the increases do not fully cover rises in costs since the last price adjustments. It cited such new costs as the recent settlement with the United Mine Workers and the mounting prices of fuel oil and other raw materials.

Inland's chairman, Frederick Jucker, said that the company recently embarked on a project to increase steel capacity by 24 per cent.

"To complete this program we must have the ability to at least maintain the profit margins which were in effect at the time the program was approved and which were used to justify this major capital investment," he said.

The decline in the availability of loans should not cause enormous hardship since the worldwide economic slowdown also means that corporate demand for cash is reduced. "And as interest rates on short-term deposits fall, money that has been held in liquid assets is expected to be increasingly tempted into high-yielding, fixed-rate bonds."

This theory will be tested early in the year. Caisse Nationale des Autoroutes of France will be

floating a 100-million-D.M. bond with a coupon of 9 3/4 per cent after the New Zealand issue, currently on offer with the same terms as marketed.

An issue of 10 million to 12 million Units of Account is expected for a Flemish borrower. This loan is expected to carry a coupon of 10 per cent.

And in the dollar sector, there are rumors of two impending issues, one for Japan's Asahi Chemical.

Dutch bankers report a sizable queue of borrowers waiting to float loans denominated in guilders.

The biggest fear that bankers express is that the attempt to get the bond market functioning smoothly will be drowned by a flood of new issues.

**Market Turnover**

DETROIT, Dec. 29 (AP)—  
U.S. Steel's \$1.82 billion  
Euroclear \$1.83 billion \$1.83 billion.

**Shah Insists He Does Not Seek Ruin of the West**

PARIS, Dec. 29 (AP)—The Shah of Iran said in an interview published here today that Iran's loans to major Western nations proved that he was not seeking "the destruction of the Western world."

"How could I wish that destruction. I belong to that world, after all. That is why I help it when I can," he told the news-weekly *Le Point*, which featured him on its cover as "man of the year."

The Shah said the economic crisis in the West occurred because the West was poorly governed "for thousands of reasons. It is, by the way, less the fault of the leaders than of the political structures which make it impossible for them to govern."

Oil-price rises were responsible for at most 2 per cent of the inflation of 20 per cent in the West in 1974, he said. The internal situation of Western nations and their ungovernability caused the remainder, he said.

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Banking and Finance: To keep fees and interest rates at levels reasonable enough to permit business and the public to satisfy their needs and help advance the nation's economy to its normal growth pattern again.

It means better performance by the American workers, less unnecessary absenteeism, less featherbedding and less obstruction to the goals of greater output per manhour in every possible way.

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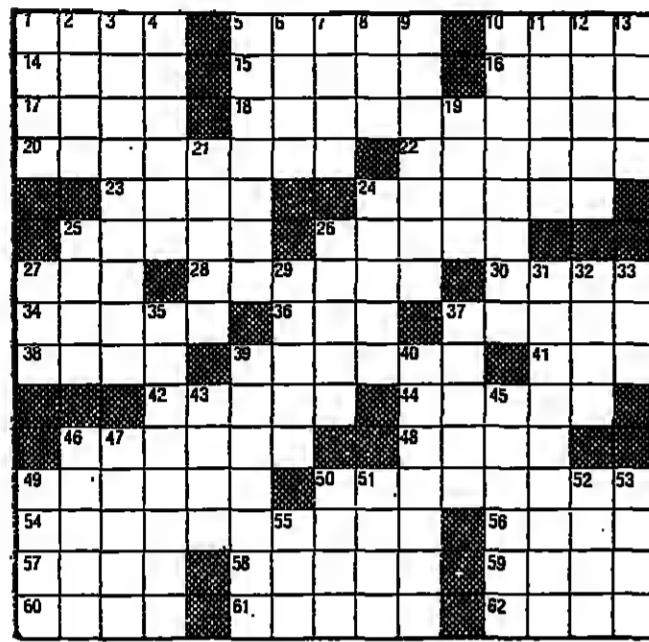
The world is

## CROSSWORD

By Will Weng

**ACROSS**

- 1 Musical passage
- 5 Struck
- 10 Sharp pang
- 14 Like peas in
- 15 Tree of
- 16 Southwest
- 18 Sprinter's goal
- 17 Nutty over
- 18 Place for a quill pen
- 20 Reduced quality
- 22 Large sea bird
- 23 Londonderry, etc.
- 24 Ants
- 25 Supply
- 26 Flow
- 27 Wander about
- 28 Equips, as a military tank
- 30 Donates, in Scotland
- 34 Medicinal plants
- 36 Indonesian island group
- 37 Nairobi's land
- 38 Heroic tale
- 39 Protests in a way
- 41 Capitol man: Abb.
- 42 A.L. team
- 44 Pork and veal
- 46 Cooking herbs
- 48 Chinese wax
- 49 Unperturbed
- 50 Mexican grass
- 54 Places for lookouts
- 56 Relative of etc.
- 57 Odd, in Glasgow
- 58 Jalopy
- 59 U.S. agency
- 60 Partly diminished
- 61 Dog—
- 62 Word in New Year's song
- 63 DOWN
- 1 U.S. composer
- 2 John
- 3 Gem
- 4 Slow, in music
- 5 "Faerie Queen"
- 6 This and that: Abor.
- 7 "— bitten..."
- 8 Rocky height
- 9 Puzzling things
- 10 Period of history
- 11 Corrupt
- 12 midi
- 13 Vegetable
- 14 Press down
- 15 Wall hanging
- 16 Tan colors
- 17 Part of —
- 18 Blimp's need
- 19 Bounding and water
- 20 Right away
- 21 Mona Lisa's strong points
- 22 Part of doctors' hammers
- 23 Library sign
- 24 Forced upon
- 25 At one's end
- 26 Part of —
- 27 Blimp's need
- 28 Bounding and water
- 29 Right away
- 30 Mona Lisa's strong points
- 31 Right away
- 32 Part of doctors' hammers
- 33 — Marino
- 34 Erodes
- 35 Targets of doctors' hammers
- 36 Library sign
- 37 At one's end
- 38 Blimp's need
- 39 Right away
- 40 Mona Lisa's strong points
- 41 Right away
- 42 Right away
- 43 At one's end
- 44 Right away
- 45 Noncitizens
- 46 Baseball's Yogi
- 47 Decorate
- 48 Unwieldy craft
- 49 Ruler
- 50 Diminutive suffix
- 51 Mountain lake
- 52 Indonesian river
- 53 Time period



## WEATHER

LISBON..... C F  
LONDON..... 13 36 Cloudy  
LOS ANGELES..... 29  
MILAN..... 30  
MONTREAL..... 1 34 Cloudy  
MOSCOW..... 9 32 Snow  
MUNICH..... 12 33 Cloudy  
NEW YORK..... 14  
NICE..... 15  
OSLO..... 16 34 Cloudy  
PARIS..... 17 35 Rain  
PEKING..... 18 36 Cloudy  
ROME..... 19 37 Cloudy  
SOFIA..... 20 38 Snow  
STOCKHOLM..... 21 39 Cloudy  
TEHRAN..... 22 40 Cloudy  
TELEAVAN..... 23 41 Cloudy  
TUNIS..... 24 42 Cloudy  
VENICE..... 25 43 Rain  
VIENNA..... 26 44 Cloudy  
WATERLOO..... 27 45 Snow  
WASHINGTON..... 28 46 Rain  
ZURICH..... 29 47 Cloudy

## Mutual Funds

NEW YORK (AP) — The following quotations, supplied by the National Association of Securities Dealers, Inc., are the prices of these securities as of Friday, Dec. 27, 1974. The prices could not be sold (not an asset value plus sales charge) Friday.

Exch. Fd. 3.81 3.89 Eagle Gr. 5.24 5.74

Edwards Howard 4.07 4.51

Ent. Fd. 4.07 5.51

Fidelity Group 4.09 6.66

First Min. 4.87 5.49

Gen. Inv. 5.26 7.73

Win, 24-13, to Move to Super Bowl

## Steelers Upset Raiders, Face Vikings Next

OAKLAND, Calif., Dec. 29 (UPI)—The Pittsburgh Steelers, victims of a questionable call today from an official, stormed their way into the Super Bowl for the first time with a 24-13 triumph over the Oakland Raiders in the American Football Conference's championship contest.

The Steelers, down by a touchdown late in the third quarter, rallied on an eight-yard touchdown run by Franco Harris and a six-yard pass from Terry Bradshaw to Lynn Swann for the points that put them in the January 12 Super Bowl against the Minnesota Vikings, who beat Los Angeles, 14-10, earlier in the day.

Middle linebacker Jack Ham set up Swann's touchdown when he intercepted a pass by Ken Stabler and ran it back 25 yards to the Oakland nine. Three plays later, Bradshaw connected with Swann, a rookie from the University of Southern California, for a 17-yard edge with 11:15 remaining.

The Raiders bounced back to close the gap to four points on a 24-yard field goal by George Blanda, his second of the game, but the Steelers put the game away for good on a 21-yard touchdown run by Harris with only 47 seconds left following an interception by corner-back J. T. Thomas and a 27-yard run to the Raider 24.

The Raiders had moved ahead, 10-3, at 8:55 into the third quarter when Stabler completed four of five passes, including a 38-yarder to Cliff Branch, who grabbed the ball over his shoulder and fell into the end zone.

Only once before had the Steelers an opportunity for a Super Bowl berth, and that was two years ago, but they lost to the Miami Dolphins, 21-17, in the AFC title game.

For the Raiders, whose 12-3 won-lost record this year was best in the National Football League, it was another in a series of bitter disappointments in title games. Five previous

### S. Korean Retains Title

SEOUL, Dec. 29 (AP)—Champion Hong Soo-Hwan of South Korea won a split decision over Fernando Cabanels of the Philippines last night to retain his World Boxing Association bantamweight title.

By Red Smith

NEW YORK, Dec. 29 (UPI)—Richard Anthony Allen, a racing man who appeared once as a egomaniac hatter last summer while moonlighting with the Chicago White Sox, owns a thoroughbred named Designated Runner. He also has a 2-year-old colt named Briar Bend that he bought as a yearling for \$1,000.

Briar Bend, son of Never Bend and a daughter of Swap, named Pepe or Take, is a half-brother to Agitate, who raced 11 times this year, was never out of the money, finished third in the Kentucky Derby and earned \$12,925. Considering that Dick Allen had to go to bat 463 times in 128 races to earn a paltry \$250,000, it is easy to see why he prefers mud race track to the Atlanta baseball team.

Allen has other horses named Ices Dream, Getting Ready, Icy Mischief, Switch and Get-It-along, some quartered at Kenosha racetrack outside Philadelphia and some on his farm near Perkasie, Pa., which is in Bucks County south of Quakertown, just up the river from Selinsville. He's going to train him himself, unless he changes his mind about playing with the horses, who got his contract but not his body in a trade this month.

However, the manager never lived who did not regard himself as a born leader, especially a leader of men who bat over .300, hit 32 to 40 home runs a season and lead the league in slugging percentage. For these there is always another town with another manager eager to demonstrate his leadership.

"Of course," Eddie Smith said, "racing has rules, too, and Dick will have to abide by them. Get set down in Philadelphia and you can't just move to another race track. In racing, if you get set down here you're down everywhere."

### Horses and Bats

When Dick Allen was a little boy in Wampum, Pa.—that's in Lawrence County up the river a piece from Beaver Falls—he passed his days tossing up pennies and hitting them with a stick, except when a horse went by. Then he would pause to watch in undivided admiration. Horses, especially thoroughbreds, can still get him as few managers ever have.

He has had a succession of trainers who may have been excellent horsemen but did not display the affection he feels for the animals. He would have had something in common with the late Elizabeth Arden, who hired and fired enough trainers to populate Wampum in her search for one who would treat her steeds with love. Dick believes deeply in doing unto a horse as he would have others, including managers, do unto him; that is, treating each as an individual entitled to individual consideration and respect.

He is sincere about this. Once, advised by competent horsemen that a colt of his should be gelded, he spent several sleepless nights before he could bring himself to have it done.

He will find sympathy in the stewards' stand, for Eddie Smith knows what it is like to be misunderstood. When Eddie was a boy playing on street corners in Washington, D.C., the cops would round up his kind every now and then just to keep them in line. On one such occasion the inquisition went like this:

"What's your name, son?"

"Edgar Allen Poe."

"All right, Edgar, now run along and be a good boy. You, there. What's your name?"

"Alexander Graham Bell."

"Okay, Alex, you can go. Next?"

"Eddie Smith."

The cop said, "If there's anything I can't stand it's a lying son."

It cost Eddie's folks \$5 to get him out of the slammer.

times they fought for a Super Bowl berth and won one, in 1967, but lost to the Green Bay Packers for the world title.

The team battled to a 3-3 half-time tie as the Raiders scored on a 40-yard field goal by Blanda. But the Steelers bounced back for a tie when Roy Gerlach kicked a 22-yarder early in the second quarter.

The Steelers apparently lost

a touchdown on a call by the officials and Gerlach missed a 20-yard field-goal try. The Raiders had one other chance for a score, but linebacker Jim Lambert blocked a 38-yard field goal attempt by Blanda seconds before the half ended.

Gerlach's field goal came after a mistake by Pittsburgh. Swann ran 13 yards with a punt to the Pittsburgh 41, was hit by Dave

Dalby and Harold Hart recovered to set up the Raiders' at the 41. Seven plays later, Blanda booted his field goal for a 3-0 lead.

Gerlach missed on his field-goal try with 1:09 remaining in the first period but made good on his second attempt five minutes later for the tie.

The Steelers, playing in their second conference championship

game, drove from their own 21 to the Oakland eight and then Bradshaw threw what appeared to be a touchdown to John Stallworth. But head linesman Ray Dodes said Stallworth was out-of-bounds when he made the catch.

Television instant replays, though, showed Stallworth had both feet in bounds when he came down with the ball.

On the following play, Nemiah Wilson intercepted Bradshaw and ran 37 yards to the Oakland 35. The Raiders drove to the Pittsburgh 22 with time running out and then Lambert reached up to beat away Blanda's field goal try from the 28.

Chiefs Fire Stram

KANSAS CITY, Mo., Dec. 29 (UPI)—Hank Stram, the only coach in the Kansas City Chiefs' 15-year history, was fired Friday in a surprise announcement by owner Lamar Hunt.

Stram, one of the longest-serving coaches in the National Football League, was dismissed after the Chiefs posted their worst record ever, five victories and nine losses. He had seven years left on a 10-year contract at \$100,000 a year salary.

Hunt said he "had asked Stram to step aside from his duties with the Chiefs."

"We feel the time has come to revitalize our organization and give it a fresh approach. There is no question that Hank becomes the leading candidate for the numerous football jobs available at this time. There are several years remaining on his contract and we will honor the financial terms of that contract subject to consideration of his income from any new endeavor."

Hunt said Stram has not only been a valued member of the Chiefs organization but a close friend as well. His coaching record speaks for itself. We are grateful for the contributions he has made to the Chiefs and wish him every success in his future endeavors."

Stram twice coached the Chiefs to the Super Bowl. They lost in Super Bowl I to Green Bay, 35-10, but returned three years later and captured Super Bowl IV in 1970 with a 23-7 victory over the heavily-favored Minnesota Vikings.

Stram's record is 100-72-10.

The Tar Heels, of the Atlantic Coast Conference, making their bowl appearance in five years, got touchdown runs of one and six yards from tailback James Betterson and a 29-yard touch-

down pass from Chris Kupeko to Jimmy Jerome.

## Tops Maryland in Tourney

### UCLA Still Shows Basketball Power

By Mark Asher

WASHINGTON, Dec. 29 (UPI)—UCLA's Marques Johnson started a Maryland rally with seven straight points in the last 3 1/2 minutes and the Bruins beat Maryland, 81-75, last night in the final of the Maryland Invitational Tournament at Cole Field House.

It was the first defeat for the fifth-ranked Terrapins, who have won seven, and the eighth straight victory for unbeaten UCLA.

The Bruins recorded the game's first eight points and, with forward Dave Meyers scoring virtually at will from outside en route to a career-high 32 points, raced to a 16-point lead midway through the first half. But

Maryland fought back methodi-

cally and finally crept to within one point, 74-73, with 3:36 to play. Maryland coach Lefty Driesell, however, had removed starting

### NHL Standings

Division 1

W L T Pts GF G

Philadelphia ..... 23 15 5 51 132 92

Atlanta ..... 23 15 5 49 125 82

NY Islanders ..... 14 11 5 36 124 114

NY Rangers ..... 13 14 0 35 115 103

Division 2

Vancouver ..... 22 19 5 49 139 110

Chicago ..... 18 14 5 36 125 124

St. Louis ..... 18 14 5 36 125 124

Minnesota ..... 11 19 5 27 98 145

Kansas City ..... 5 23 4 14 63 157

Division 3

Montreal ..... 29 19 5 51 162 105

Los Angeles ..... 19 15 5 49 125 92

Calgary ..... 15 15 5 20 125 123

Detroit ..... 9 18 5 23 97 120

Washington ..... 3 20 5 19 76 100

Division 4

Buffalo ..... 24 7 5 33 185 115

Boston ..... 20 19 6 46 172 115

Toronto ..... 11 17 6 26 112 123

California ..... 8 22 8 24 95 184

### Friday's Games

NY Rangers 5, Buffalo 5 (Ollert 2, Stennick 2, Stempowski, Ratelle, Polls, Bégin, Giguere; Lutz, Duddy, Ratelle, Giguere, Lorette).

Montreal 7, Detroit 2 (Ladouceur 2, Macleish 2, Wilson, Robinson, O'Brien, Giguere). Canadiens' unbeaten streak at 44.

Calgary 5, Boston 2 (Hrechko 2, Macmanus, Simmer, Gardner; Sims, Purvis).

Saturday's Games

Toronto 3, NY Islanders 1 (Ullman 2, Ellis; Marshall).

Atlanta 3, Pittsburgh 3 (Richard 2, Giguere, Gauthier, Provencher, Laroche, Montreal 7, Kansas City 2 (Lemire, Lapointe, Tremblay, Shout, Lafleur, Létourneau, Charbonneau).

Chicago 2, Philadelphia 1 (Hull, Giguere, Gauthier). Vancouver 6, Boston 1 (Goulet 2, Lester, MacLean, Bailey; Bourque, Bury, Esposito, Sardo, Giguere). Boston 4, Minnesota 2 (Lafrenière 2, Plante, Pawlik; Ehrle, Langlois).

Montreal 7, Detroit 2 (Ladouceur 2, Macleish 2, Wilson, Robinson, O'Brien, Giguere). Canadiens' unbeaten streak at 45.

Calgary 5, Boston 2 (Hrechko 2, Macmanus, Simmer, Gardner; Sims, Purvis).

Sunday's Games

Montreal 6, Boston 5 (Ollert 2, Stennick 2, Stempowski, Ratelle, Polls, Bégin, Giguere; Lutz, Duddy, Ratelle, Giguere, Lorette).

Calgary 5, Boston 2 (Hrechko 2, Macmanus, Simmer, Gardner; Sims, Purvis).

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Montreal 7, Detroit 2 (Ladouceur 2, Macleish 2, Wilson, Robinson, O'Brien, Giguere). Canadiens' unbeaten streak at 46.

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Montreal 7, Detroit 2 (Ladouceur 2, Macleish 2, Wilson, Robinson, O'Brien, Giguere). Canadiens' unbeaten streak at 47.

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Chicago 2, Philadelphia 1 (Hull, G

## Observer

## Ghosts of the Past

By Russell Baker

NEW YORK—The mists of time are closing in here at the butt end of the year and figures once distinct are becoming blurred and hard to see in the thickening gloom. Do you hear the clanking of chains? They are coming nearer, borne by that pale apparition looming out of the mist.

Who or what may you be, apparition? And what is your sin that compels you to bear those heavy chains down here in the dark at the end of the mist?

Baker

He does not answer, but, oh, he looks most wondrously familiar. Could it be?

Are you not John Dean, apparten? Speak to us.

"I am, at this point in time, that John Dean who spoke truth and these prison chains, which I am sentenced to bear, are my reward."

He is passing away from us, a wraithlike monument to the folly of speaking truth in Washington.

Hey, John! Better stoewell! it next time! Do you hear? No reply from the mist. It is here now. Careful! We seem to have reached a street corner. That man we have bumped into—notice his moustache—must be Gordon Liddy, although it is pointless to inquire for Liddy never speaks.

We must move away from him quickly, for he may be waiting on this street corner for someone to shoot him. He was willing to make himself available for street-corner assassination, remember, if his employers were unhappy with his work.

\*\*\*

Do you hear those muffled footsteps approaching? Big men from the sound of them, and they are coming fast. Careful! They sound like feet fit for walking over grandmothers with

Why, it is Ehrlichman, Ehrlichman and Mitchell. Tell us, Mr. Haldeman, why did you do it?

"Nothing was done. Nothing at all."

Tell us, Mr. Ehrlichman, why did you do it? I was duped and deceived by the president."

Tell us, Mr. Mitchell, why did you do it? "When the going gets tough, the tough get going."

They are gone. Will we recognize them this time next year? Probably not. These mists



Baker

## The Crowning Glory Of Birendra of Nepal

By Lewis M. Simons

KTMANDU, Nepal (UPI)—The ceremony will begin with Birendra riding on an elephant to Hanuman Dhoka (literally, "monkey god gate"), an ancient complex of temples and palaces in the heart of Kathmandu's medieval bazaar. Also mounted on elephants will be Queen Ashwarya Raja Laxmi Devi Shah and dozens of other members of the royal family.

The King will officially don his \$6-million jeweled and plumed crown on Feb. 24. The date has been fixed by court astrologers who will narrow the time down to the exact minute. At that moment, with the planets in just the right positions in the heavens, Birendra Bir Bikram Shah Dev, the Incarnation of Vishnu, King of Kings, the Five Times Godly, Valorous Warrior and Divine Emperor, will take full possession of the throne he already has occupied for 2 1/2 years.

The King will officially dress in white homspur cotton, in marked contrast to his elephant, which will be gloriously painted in brilliant colors from the tip of his trunk to its gilded toenails.

In the palace's courtyard, Hindu priests will impart strength and wisdom to the stately built, young and Harvard-educated King by daubing him with 15 different kinds of earth, including clay from the Himalayan mountains and mud from an elephant stable.

After that, he will be sprinkled with waters collected from the seven seas and 30 sacred rivers, then with milk curds and specifically purified butter.

Next, with the cow and her calf watching, Birendra will mount a low stone platform toward one end of the large courtyard and ascend the throne. An American who witnessed King Mahendra's coronation has said the throne is as big as a four-poster bed.

It is a metal back embossed with writhing snakes, and is shaded by an enormous brouze image of a hooded, nine-headed cobra. The throne will be on rugs made from the skins of a tiger, a leopard, an ox and a cat, to show the King's sovereignity over the animals of Nepal. In ancient times, according to a legend, palace officials find distractious, a human skin was included.

The plumed and jeweled crown Birendra will wear on the throne includes a fringe of enormous emeralds. The largest emerald, 1 1/4 inches long, will dangle in the center of the King's forehead. From the throne, Birendra



A temple in Darbar Square, Kathmandu.

will mount a white stallion to return to the silver-shaded howdah atop his elephant. The elephant procession will make its way, through roads now being widened for the occasion, to the stylized pagoda tower of Narayanhiti Palace, where a royal banquet will be held that night.

According to palace officials, the budget for the four-day coronation is \$500,000, but other sources say that undoubtedly it will cost considerably more. Kathmandu's handful of top-class hotels are being expanded to accommodate hundreds of guests from all over the world, monuments are being erected, streets broadened and gardens landscaped up throughout the capital.

Not included in the cost of the coronation is Nepal's \$40,000 share in a \$1-million UNESCO project of restoring the ramshackle Hanuman Dhoka complex of temples and palaces.

Under the direction of British architect John Sanday, 200 Nepalese craftsmen and workers are dismantling, cleaning, replacing and reassembling thousands of pieces of wood, stone, brick and the parts of the

enormous crumbling complex, parts of which go back to at least the 11th century.

Mr. Sanday, who has restored Britain's Trinity College Library at Cambridge and a house recently presented to Prince Charles, has gathered for the project most of Nepal's finest artisans still working in traditional crafts like wood carving.

The project is scheduled for completion in two more years. The section needed for the coronation will be ready in another month.

Hanuman Dhoka, Mr. Sanday said, contains some of the finest examples of wood carving in Nepal. When he began work two years ago, he said, the complex was in an appalling state of disrepair and neglect and one courtyard had long been used as the No. 1 public latrine in Kathmandu.

When King Mahendra was crowned at Hanuman Dhoka in 1966, Nepal had diplomatic relations with just four countries.

Now, the Himalayan kingdom is recognized by nearly 80 nations and palace officials expect between 400 and 500 foreign representatives for the official accession of the throne.

## PEOPLE: Just Don't Wear Your Alligator Shoes

The garlic-laden aromas of French cuisine are essential to civilized living, the New York State Supreme Court has decreed.

In an opinion last week, Justice Edward Greenfield refused to grant an injunction against La Gouille, an upper East Side restaurant, to stop allegedly foul-smelling and rancid and noxious odors—the clangor of pots and pans, the glaring lights in the courtyard... the storage of garbage.

This description was furnished by Peter Sourian, 41, a novelist and professor of English who lives next to the restaurant and who charged that La Gouille was "emitting nuisances."

Those weren't nuisances, the judge ruled, merely "the repellent odors of garlic... the wafted odors of sauces and stews." Waxing nearly lyric, Greenfield held that "the amenities of a first-class French restaurant are as important to civilized living as clean, unpolluted air and the hushed stillness of the night."

A 27-foot, 125-horsepower boat that sleeps four.

• A Wurlitzer organ.

• A pair of oil leases for land in northern Michigan.

• A mobile floodlight unit used in night construction work.

La Gouille, which is in the heart of Manhattan's art world, says it has such customers as Jacqueline Kennedy Onassis, Princess Grace and Prince Rainier, Ingred Bergman, Henry Kissinger and Endor Neary.

"They only see the front," said Sourian, who is chairman of the English department at Bard College in Kingston, N.Y. "They should come out and see the back."

Reversing the pioneer spirit, Marion Brando says that he will give away all his land holdings in the United States to American Indians.

"I think giving up all my land here in America will entitle me to ask others to make a contribution, too," Brando said. The 49-year-old actor plans to turn over 40 acres of land near Calabasas, Calif., today to Hank Adams of the Survival of American Indians Association.

The actor said that his other holdings include his home on an acre in Los Angeles and an apartment complex on a half-acre in Anaheim, Calif. He said that another piece of property, which he described as Illinois farmland owned jointly with his sister, would be donated at a later date.

The actor has been active in Indian causes for several years. In 1972, he sent an Indian woman, Sachem Littlefeather, to receive his Academy Award for best actor in "The Godfather." He said in a statement then that he was refusing the award because "the motion picture industry is as responsible as any in making the character of the Indian and presenting them as savage and evil."

Besides the obvious benefits of the arrangement, why does

—SAMUEL JUSTICE

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ANOTHER NIGHT TO REMEMBER next Mon. Wed. Thur. 8:30 p.m. & Sat. 11:30 p.m. American Church of St. Ursula.

PERSONALS

SUZANNE SHAYNE, Merry Xmas.

DOUGIE, on Sat. 8th. Birendra Greetings! Call: Janice collect!

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